Canada's Need of Foresting Policy

Fixed Trust Investments

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THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Canadian Mining News Department Page 23

Vol. XXIV Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, APRIL 16, 1931 10c a Copy; $5.00 a Year No. 16

The Nation's Business

Ottawa Saves But Provinces Keep on Spending

Tax Burden Rises to Crush Initiative

Butter Surplus is Embarrassment

TAX BURDEN ON BUSINESS

DOMINION government estimates for the coming year have been brought down and the country finds, as it expected, that they have been cut. It is apparent that Mr. Bennett has personally scrutinized every departmental appropriation and has effected more notable economies than any finance minister since pre-war days has attempted. There will be insistent protest against reductions in some branches of public expenditure, particularly from those who believe that governmental spending creates prosperity. Business men should lend no support to these protests. They should even avoid complaints based upon sectional disappointments. Every effort of the administration to reduce governmental expenditures, to the end of forestalling so far as possible increased taxation, should have whole hearted support.

* * *

THE main estimates are only the first and major installment in the governmental spending programme. There will follow the supplementary estimates and governmental extravagances are usually included in these supplementary estimates. If Mr. Bennett can be made to feel that the business men of Canada are back of him in his campaign for economy he will be equally strong in his handling of supplementary appropriations.

The prime minister should regard his 1931-32 economies as merely a beginning. The world economic outlook is not such as yet to promise buoyant Government revenues even in the succeeding year of 1932-33.

* * *

BUT while a sincere effort to reduce the burden of taxation upon development seems to be the keynote of administration in the Federal capital the work that is being done there is being offset almost entirely by continued unyielding, unintelligent extravagance in provincial and municipal finance, practically from coast to coast. At one time provincial taxes attracted little attention from business men. The provinces were able to get along very nicely by relying chiefly upon subsidies from the Dominion Government and revenues from natural resources. But they have run wild in paternalism and public spending. Provincial budgets have grown unreasonably. Provincial debts have been increased to an alarming degree, and now the interest charges on these freely incurred debts are beginning to show in the tax burden upon industry and commerce.

* * *

THIS year, at a time when the revenues of every business concern in Canada and of practically every individual, have been seriously reduced, the provinces have, largely speaking, presented and had passed by their legislatures, budgets calling for increased expenditures. New taxes—most of them falling on business, such as the increased corporation tax in Ontario and the greatly enhanced schedules on higher incomes in Manitoba—have been imposed. Free and extravagant spending has shifted from the centre of Government to the more scattered units but the depressing effect upon business expansion will be the same.

The municipalities also have gone ahead, oblivious of the real economic condition of the country which reflects the soreness of the world, and municipal tax rates generally are higher, although based upon larger assessments.

* * *

THE situation constitutes a real menace to economic security in Canada. It is a barrier to early recovery. Particularly in Western Canada is the failure of the Western ministers to meet the challenge of the present situation a cloud upon the economic horizon. The Western provinces, faced with the need for developing industrial and commercial pursuits to stabilize prosperity at a time when agriculture is in sorry straits, have, by increased expenditure and higher tax levies, definitely discouraged initiative and development. Millions of dollars of taxes imposed in the West will never be collected and this will enlarge the burden upon the few who can be forced to pay over what spendthrift politicians will gouge from them.

Economical administration of public affairs and a turning away from Socialism are essential precursors of the return of prosperity in Canada, but they must be invoked equally by every governing body. In the aggregate, business is little better off by economy at Ottawa for smaller governmental units are blind to the simple economics of the situation.

* * *

THE present depression is not only a challenge to governments to set their houses in order but an opportunity to do so. One good effect of such a period as this is that business concerns are able to get on a sounder basis. This may sound paradoxical but it is true. More attention is paid to the installation of efficient methods and the elimination of waste. It is possible to take steps in this direction that would be impossible in a time of general prosperity, free spending and labor shortage. Certain advances in mechanization meet with resistance from labor and cannot be proceeded with as readily when labor is scarce as now. Cost reductions effected at the present time by business concerns will carry through into the next period of prosperity when their full benefit will be reaped.

It is the same with governments. Times of depression put into the

(Continued on page 2, col. 3)

'LANTIC SUGAR HEAD DISPOSES OF GUESSWORK

Directors Will Not Make Any Change in Policy

TRUST DEED RULES

No Dividend Action for Some Time—Toronto Group Now on Board

From Our Own Correspondent

MONTREAL.—There will be no change in the capital structure of Atlantic Sugar Refineries, nor will there be any dividend paid on the capital stocks of the company until the terms of the trust deed covering the bonds have been carried out in full.

This is the gist of the remarks made by Lewis J. Seidensticker, president, at the annual meeting of the company. After pointing out that in the past the directors have expended their efforts toward recovering the shareholders equity in the company and to this end they have been sustained by the restraints of the general mortgage trust deed, which were designed to safeguard the consolidation of the company's position, Mr. Seidensticker again drew attention to the terms of the trust deed.

Emphasize Trust Deed

These restraints have been commented upon in The Financial Post on numerous occasions and are here briefly repeated: (1) No dividends can be paid until the bonded debt of the company has been reduced to $3,000,000; (2) No dividends can be paid which would reduce net current assets below $750,000; (3) should the company declare any dividend upon any part of its capital stock it will, prior to or concurrently with any such declaration, apply an equal amount in cash to the redemption of bonds through the sinking fund in the manner set forth in the trust deed.

Retirement of Bonds

A glance at the balance sheet of Atlantic Sugar shows the outstanding bonded indebtedness on December 31, 1930, to have been $3,821,246.

On July 1, 1932, the present first mortgage bonds will have been retired.

There will then be outstanding $3,551,246 of the general mortgage bonds which then become a first mortgage.

In October 1, 1934, the amount of these bonds will, through the operation of the sinking fund, have become $2,961,246.

The first conditions will then have been complied with.

It may be assumed that the second and third strictures do not form insurmountable barriers, supposing that the company continues to enjoy successful operations.

Sinking Fund Operative

However, before proceeding to find warrant for expectation of dividends, consideration must be given to the fact that the sinking fund requirements of the general mortgage bonds expressly stipulates that in the years 1933 to 1940 inclusive not less than $400,000 per year shall be applied to the joint purposes of interest and sinking fund. This results in accelerated retirement of the bonds; for example: $225,000 in 1933 and $322,000 in 1940, the year before maturity.

Despite this there will still be outstanding on October 1, 1941, the date of maturity, $1,246,246 of these bonds for which some separate provision must be made.

Cannot Cancel Bonds

With respect to the bonds of this company held in its own treasury it is imperative to note that the trust deed does not provide for nor permit of their simple cancellation. The trust deed does stipulate that ". . . the company shall have the right to purchase bonds on the market or by private contract at a price not exceeding par and accrued interest, and to tender such bonds to the trustee for the purpose of the sinking fund . . ." It is for this purpose that these bonds have been bought and are held.

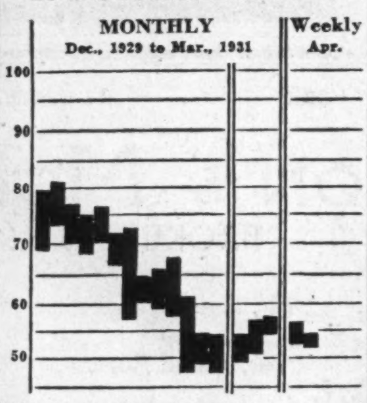
To appreciate the situation it is necessary to turn back to 1920 and to recall that this company was then bankrupt and, if liquidated, its shares without value.

Following the succeeding six years

(Continued on page 2, col. 3)

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

Industrial Stocks	High	Low
Week of April 14	54.2	51.7
Week of April 7	59.7	52.5
Month of April, 1930	80.0	70.0
8 Bank Stocks		
Week of April 14	248	246
Week of April 7	248	247
Month of April, 1930	265	258
10 Public Utilities		
Week of April 14	84	83
Week of April 7	85	83
Month of April, 1930	106	97

Calls on Business Men To Stand by Air Mail

Leaders of Canadian aviation fear that as a result of the cut in the Dominion government estimates for air mail that the development of a speedy postal service between different points in Canada will be severely checked.

"Some ridiculous statements as to the cost per letter of air mail have been circulated," remarked a leader of Canadian aviation this week to The Financial Post. "The air mail has proven itself as an efficient, economical and necessary arm of business. Aviation leaders are in the midst of a programme of providing Canada with a proper air mail service. Canada has never had that. There has been a tendency for business men to judge the air mail by the results on an individual short route such as the one between Toronto and Montreal. That is not the way to judge the need for and the efficiency of the air mail. These short routes have to be linked up in a nation-wide service. Air mail service must be maintained also where any other form of transportation is for too slow. We have made tremendous progress in linking up the various routes to give Canada truly national air mail service.

"There is a real danger that lack of appreciation of the need for the air mail on the part of some business men and of some of parliamentarians at Ottawa may set back this development many years. We must not slow up air mail development, a well integrated national system is essential. If we allow the air mail to fall down we shall lose pilots from Canada, lose experience and shake the whole structure.

"Canadian business men should insist that the air mail be maintained."

Argentina to Canada Is Both Great Market And Stout Competitor

Southern Republic Promises Keen Conflict in Wheat

WHAT WE CAN SELL

Canadian Trade Mission Discovered Latent Possibilities for Larger Sales of Our Goods

By H. C. MYERS*

The Canadian Trade and Goodwill Mission to South America, which left Halifax on February 21, returned to that port on April 11, having travelled over 16,000 miles, visiting Cuba, Trinidad, Uruguay, Argentina and Brazil. The stay at Buenos Aires, Argentina, was the longest and most important, as it coincided with the opening there of the British Industries Fair, at which Canada had her own building, and one which was at least the equal in attractiveness of the numerous other buildings, which housed the much greater number of British exhibits. Canada was the only Dominion which exhibited.

There is no doubt that the goodwill mission to Argentina succeeded, and met a warmth of response that was beyond all expectation. The hospitality, both official and unofficial, shown to the members of the mission, the full and almost overwhelming programme of entertainment and educative sight-seeing, were definite evidence of that. On every side one was told that Argentina regarded Canada in a manner different to any North or South American country, or even a European country—with a friendship and

(Continued on page 2, col. 4)

* Mr. Myers is general manager of G. T. Fulford Company. He accompanied the Canadian Trade Mission to Buenos Aires. This article is the result of special notes made on behalf of The Financial Post during the trip.

What Was Purpose of Bankers' Visit?

Did Ottawa correspondents of Canadian daily papers trail the wrong herring when they "covered" the story of why leading Canadian bankers went to the capital last week?

Leading bankers say that the newspapers were wrong and that their Ottawa visit was purely to discuss refunding operations with Prime Minister Bennett, and not talk about loans to Western farmers. Newspaper correspondents on the other hand have broadcast the purpose of the visit as an exhaustive conference to deal with the Western credit and farm loan problem, and supposedly authentic reports as to exactly what happened at the meeting (which was held in camera) are available.

Perhaps the bankers came to discuss federal financing, but stayed to answer the heated attacks on chartered bank policy of western premiers and ministrators who were in Ottawa for the constitutional conference.

Dom. Woollens Position Aided By Wool Price

From Our Own Correspondent

MONTREAL.—A slight strengthening in the raw wool market is tending to improve the inventory position of Dominion Woollens and Worsteds. Inventories were marked down to low levels at the end of the last fiscal year June 30, 1930.

While it is not expected that operations during the current year will prove particularly profitable, the company has paved the way for better times by the drastic write-offs made on account of inventory last year. After writing stocks on hand down to replacement value and providing for all other charges, there remained a deficit for the year of $294,890. Before provision for inventory there was a net profit of $67,274.

Plant operations are on a substantially improved basis as compared with 1930. Both the spinning mills at Milton and Orillia are active after years of enforced idleness. The Auburn mills are operating at nearly 100 per cent of capacity. A fair volume of orders is on the company's books and the effects of the revised tariff are becoming more apparent as time goes on.

BANKERS SAY WEST BORROWS DESPITE SLUMP

Ottawa Visit Clears Air After Criticisms Are Made

From Our Own Correspondent

OTTAWA.—The Western credit problem was dealt with exhaustively at a conference held in Ottawa last week between the leading bankers, the prime minister, and the representatives of the three Prairie Provinces.

At this conference, which was held in camera, the grievances of the West were expressed by Premier Brownlee, Hon. M. A. MacPherson, attorney-general of Saskatchewan, and Hon. R. A. Hoey, minister of education for Manitoba. All these Westerners charged the banks with restriction of credit, with refusing loans to farmers. Mr. Bennett is reported to have taken a leading part in the proceedings. In the words of one of those present, he talked to the bankers like "a Dutch uncle."

No Change in Policy

The bankers met these criticisms by the declaration that there has been no change of policy. They stated they are still making loans wherever good assurances of repayment are present. And they expressed a desire for specific cases to prove that credit is being unjustifiably curtailed. Unfortunately, the only government capable of supplying cases is the Alberta Government. The other two based their opinions upon general and, as they believed,

(Continued on page 8)

FERRIES, TUBE, BRIDGE SPAN, WAR FOR LIFE

At Moment, Three Almost Equally Share Vehicles Crossing River

TUNNEL LEADS TRIO

Bus Business Seems Profitable—Bridge Fares for Transients Likely to Stay

Preliminary reports of a recent survey of motor-vehicle traffic across the Detroit River is understood to have shown that the Detroit & Canada Tunnel is leading in number of vehicles, with the ferries second and the Detroit International Bridge third. It is said, however, that there were only 200 to 300 cars difference in the total number using the tunnel and those using the bridge.

No attempt has been made to calculate the number of individual passengers. It is believed, however, that the bridge is a poor third in this respect. The tunnel company is operating fourteen buses which are well patronized, while most other commuters use the ferries.

Charges Not Earned

At present, it is understood that neither bridge nor tunnel is earning fixed charges. Operating costs have been reduced materially on the bridge and it is believed that costs of tunnel operation will steadily lower for some months yet. It is expected that summer traffic on the bridge will show a proportionately greater increase than summer traffic in the tunnel.

Without an actual count, the observer might believe that the vehicle traffic in the tunnel is materially greater than on the bridge. This impression, it is said, is because of the greater facilities for customs and immigration inspection at the bridge, while at the tunnel the terminals are concentrated in a smaller space.

Cross-river traffic in recent months has been considerably greater than in the former peak year of 1929 when ferries were the only means of travel between Detroit and the Border Cities. But it is apparent that the traffic is still a long distance from the point where both bridge and tunnel can earn their fixed charge. There are $37,000,000 of bonds and debentures outstanding in the two enterprises.

Commuters Get Lower Rate

No action has yet been taken with regard to lower fares on the bridge, as was suggested some weeks ago. Estimates of potential traffic went awry a year ago when the ferries cut their fares in half—from 50 cents to 25 cents for vehicles. It has been thought that the bridge might meet this price, but so far all that has been done is to issue commutation tickets at the lower rate, while it is hoped that the tourist traffic will pay the higher price for the convenience of the bridge rather than use the ferries.

It has been calculated that the ferries could operate at a small profit at 15 cents per automobile, and the bridge could not in any circumstances meet such a price.

B.A. Oil Sales On Good Basis; Common Low

British American Oil Co. common stocks declined to 10, accompanied by rumors that there was a possibility of dividend reduction from the present rate of 80 cents a share per annum. The Financial Post is authoritatively informed by officers of the company, who were asked as to the present situation, that the directors have never even considered such a possibility as a dividend reduction as yet.

The directors have declared the dividend for the first quarter and will not meet again for dividend action until June. In the meantime, The Financial Post is assured, there is no change in earnings which would justify such a report. Present earnings are proceeding on a good basis and somewhat ahead of last year.

The fear that Western business would suffer an eclipse has so far not been justified.

Pro-ration limits the return from Oklahoma City wells, but the company nevertheless expects a substantial sum.

Bruck Silk Day Shifts Operate at Capacity

From Our Own Correspondent

MONTREAL.—Operations of Bruck Silk Mills are being undertaken on a satisfactory basis. It is stated that the plant is operating at 100 per cent of capacity during the daytime and about 50 per cent capacity at night.

Continued demand for real silk goods has necessitated that the greater part of production be confined to this type of goods as opposed to artificial silk. Bruck Silk plant is now equipped to weave artificial silk as well as real silk goods.

Installations along these lines were made last year following a change in the market when popularity of silk waned temporarily and the demand for artificial silk material was insistent.

Reorganization of plant operations and the decline in the raw silk market made inroads into profits of the company in the fiscal year ended October 30. Net profits dropped from $395,260 to $62,743 and after all deductions there remained a deficit for the year of $109,045. In the previous year the company earned $2.80 a share on its common stock.

CONSUMERS' GAS RATE REDUCTION NOW ANNOUNCED

Government Grants Right to Lay Mains in Suburbs

Coincident with the granting by order-in-council of supplementary letters patent which enables Consumers' Gas Co. of Toronto, to extend its mains eastward, comes an announcement of a reduction in the price of gas sold by the company throughout its territory.

The price heretofore has been 85 cents per 1,000 cubic feet for the first 10,000, 80 cents for the next 90,000, and 70 cents per 1,000 after that. The new rates will be 80 cents, 75 cents and 70 cents.

By its special Ontario charter, Consumers' Gas Co. rates are fixed on the basis of a special surplus created after plant renewals, appropriation and maximum dividends of 10 per cent on the outstanding stock.

Extend to Port Credit

On the basis of the present consumption, the reduction in rates will mean a reduction of $300,000 in annual revenue, whereas, as at September 30, last, the special surplus account totalled $284,602. The increase in consumption which normally follows a reduction in rates, as well as the normal growth in the city and the extensions recently made and planned, are expected to justify the lower schedule.

Arthur Hewitt, vice-president and general manager, will recommend the rate reduction at the meeting of directors to be held on April 20. The board is understood to acquiesce in the plan.

The lieutenant-governor-in-council has approved the supplementary letters patent which gives the company the right to extend its mains westward to Port Credit and the township of Toronto, and eastward as far as Pickering. The company now serves Mimico and New Toronto and parts of Scarboro township.

Franchises will be voted on by the electors of Port Credit and Toronto township in the near future. Port Credit will be the first objective. Extensions to Streetsville and Milton and to Pickering are not planned for the present year.

SHERWIN PAINT SPRING SALES SATISFACTORY

Fine Weather Gives Fillip to Current Demands

From Our Own Correspondent

MONTREAL.—Favorable weather in an early spring has given an encouraging fillip to sales of Sherwin-Williams Co. of Canada. Though the improvement is seasonal, sales in Eastern Canada have shown a tendency to exceed those of this time last year.

Spring business is a vital factor in the year's activities of a paint manufacturer. Given a spell of bad spring weather business is liable to fall off perceptibly without a subsequent recovery. Repeat business this year, however, in Ontario, Quebec and the Maritimes has been satisfactory; it is understood that Western sales still leave something to be desired.

Wide Development Programme

Despite the contraction in earnings in the last fiscal year ended August 31, 1930, Sherwin-Williams has gone ahead with its development programme. The new lacquer plant in Montreal is completed and virtually in full production; additional machinery is being installed in the company's recently acquired oxide property in Red Mill, Que., and other general improvements to property are being made.

During the past 18 months it is estimated that the company has spent something like $200,000 on plant additions and improvements. Of this sum a substantial amount was expended in the new lacquer unit which is giving a satisfactory account of itself in its initial operations.

No Delay Entailed

No delay was entailed in getting this plant into production. The move from the old unit was made without interruption to activity and there are only a few minor installations to be made to finally complete the job. Various economies and improved operating facilities have been

(Continued on page 2, col. 4)

Newsprint Production Swings Up in March

Mill Operations Carried on at 58 Per Cent of Rating During Period—Gain is Seasonal—Output Below Last Year's Figures

From Our Own Correspondent

MONTREAL.—Newsprint production during March showed a seasonal upturn, the News Print Service Bureau reporting an output by Canadian mills of 187,005 tons and shipments of 187,730 tons. This compares with a production of 164,552 and shipments of 162,350 tons in the preceding month. In the more significant comparison with March of last year, production in that month is shown at 207,485 tons and shipments amounting to 208,629 tons.

Canadian mill operations were carried on at 58.1 per cent of rating during the past month, as compared with 55.4 per cent in February and 68.4 per cent in March a year ago. Shipments are relatively the same, the percentage rating in March, 1930, being 58.3, in February 54.7, and in March last year, 68.8.

American Output Up

Production in the United States advanced from 88.788 tons in February to 100,590 tons in March, while at the same time shipments increased from 90,901 to 101,044 tons. During March last year American mills produced 113,328 tons and shipped 109,686 tons.

Operating ratio of the American mills was better than for the Canadian plants. The production ratio in March was 68.4 per cent and shipments 68.7 per cent. This compares with 65.4 and 66.9 per cent, respectively, in the preceding month and with an operating ratio of 80.3 per cent and shipments ratio of 77.7 per cent in March, 1930.

Quarterly Production Down

Cumulative production of Canadian mills for the first quarter of 1931 is the lowest recorded for any corresponding period since 1927, output having amounted to 534,280 tons compared with 604,559 tons in the first three months of 1930. The same statement applies to shipments, which amounted to 531,508 in the first quarter of the current year, as against 590,141 tons in the initial three months of 1930.

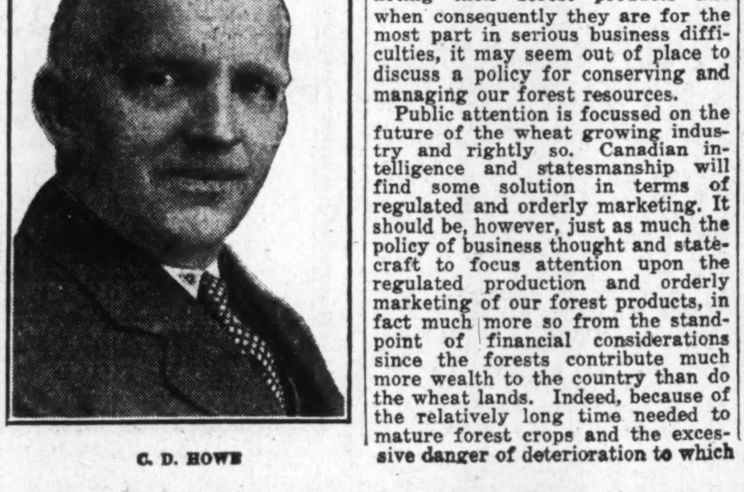
American mills report a cumulative production between January and March, 1931, of 290,564 tons—the lowest of any corresponding period in the last decade. Shipments at 291,563 tons also set a new low mark for the past ten years.

Newfoundland Sets Pace

Despite the low ratio of operations in Canada and the United States, Newfoundland mills continue to operate at a high level, March returns showing a production of 23,643 tons, which was equivalent to 93.4 per cent of rating. This compares with an output of 23,073 tons in February and with 23,579 tons in the same month a year ago.

There was a moderate decline in the stocks of newsprint paper on hand at the end of March. Canadian mills reported stocks of 39,850 tons and American mills 32,254 tons, making a combined total of 72,104 tons which was equivalent to 4.0 days' average production. This compared with stocks of 75,886 tons or the equivalent to 4.2 days' average production at the end of February, and with 62,665 tons, or the equivalent to 3.7 days' average output at the end of March, 1930.

Canada Must Safeguard Forest Capital



C. D. HOWE

By C. D. HOWE
Dean of Faculty of Forestry, University of Toronto

At a time when the industries concerned find great difficulty in marketing their forest products and when consequently they are for the most part in serious business difficulties, it may seem out of place to discuss a policy for conserving and managing our forest resources.

Public attention is focussed on the future of the wheat growing industry and rightly so. Canadian intelligence and statesmanship will find some solution in terms of regulated and orderly marketing. It should be, however, just as much the policy of business thought and statecraft to focus attention upon the regulated production and orderly marketing of our forest products, in fact much more so from the standpoint of financial considerations since the forests contribute much more wealth to the country than do the wheat lands. Indeed, because of the relatively long time needed to mature forest crops and the excessive danger of deterioration to which they are subjected through fire, insect pests and over-cutting, their regulated and orderly production of materials is much more difficult to obtain than is the case with agricultural crops. Therefore to gain this object, it follows that a policy of sustained planning and operation through a considerable period of years is required.

Continuity Is Needed

The maintenance of successive forest cropping demands courage, continuity of effort and statesmanship of high order. If the people of Canada demand anything less of their legislators and leading public men in their attitude toward the forest resources, they will have failed in a very important responsibility of citizenship in that they will have failed to bring about the maintenance of a resource that has second place as a creator of new wealth for the prosperity of the Dominion.

From the discussions that appear from time to time in the public press, one would be convinced that there are numerous conceptions as to what should constitute a rational forestry policy for Canada. Moreover, many are in complete variance. This is natural since the opinions of men are influenced by the purely local conditions with which they are most familiar and also because of inherent temperamental qualities men do not look out upon the affairs of the world through spectacles of uniform color. A forester, however, can and usually does outline a forestry policy in a few words.

What Forester Asks

The forestry puts first of all the desirability of increasing the yield of wood per acre and next to it, the necessity of regulated production. By the latter term he means the creation of a dependable and permanent supply of wood on a given area so that the lumbering and the pulp and paper industries, instead of being relatively short lived in any community as is so largely the case under present conditions, may become permanently located and be surrounded by a permanent population to administer to their needs. Without very much stretching, these two

(Continued on page 3, col. 3)

PAPER MERGER PLANS STILL IN ABEYANCE

International Paper and Backus Are Now Dickering

RUMORS ARE MANY

Not Likely Any Definite Action Taken Until Canada Power Reorganized

From Our Own Correspondent

MONTREAL.—Negotiations are now going on between the Backus interests and International Paper with a view to arriving at suitable arrangements which might eventually lead to a consolidation of properties.

This is the actual current situation and nullifies the current crop of rumors foretelling of supermergers in the Canadian newsprint field. The names of Abitibi, Canada Power and, St. Lawrence have been freely mentioned, but these companies are sitting back and awaiting further developments. Naturally they are interested in any move that would affect them individually or as a whole, but just now they are not merger-minded.

Ever since the present troubles of the newsprint industry developed more than a year ago, talk of mergers has been common. Some of these have developed such as the St. Lawrence Corp. combination and the absorption of Port Alfred, Wayagamack and Anglo-Canadian by Canada Power and Paper.

Giant Merger Intrigues

The giant merger of all major producing Canadian newsprint producing properties has been speculated for a long time. Meetings have been held more or less continuously. At one time or another negotiations had advanced to a point where a major consolidation was well within the realms of possibility, but due to one cause and another plans fell through.

It is understood that only a short while back Abitibi was dickering with St. Lawrence, but that no definite conclusions were arrived at. Canada Power and Paper's name has been linked up with all the other companies at one time or another.

I. P. Still Interested

Further it is known that International Paper would not be adverse to disposing of its properties under the control of Canadian International Paper provided that it could secure a good price. International has had more than its share of troubles in maintaining peaceable relations with certain Canadian interests, which have not been at all pleased with I.P.'s unwillingness to co-operate more closely with the Newsprint Institute of Canada.

The wisdom of International Paper's refusal to join that association is becoming more and more apparent as the days go by.

The present dickerings between Backus and International Paper may not lead to any agreement. It may be that further consolidation plans will be held in abeyance until the Canada Power & Paper situation is settled.

Canada Power Problem

The latter constitutes the major problem of the industry at present. It is a gigantic task and one which will not be solved over night. Considerable work has already been done in trying to unravel the tangle, but it will likely be some time before

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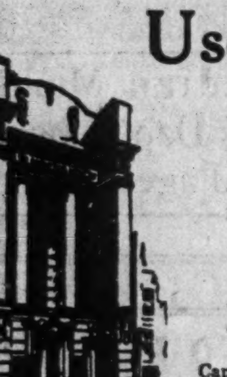

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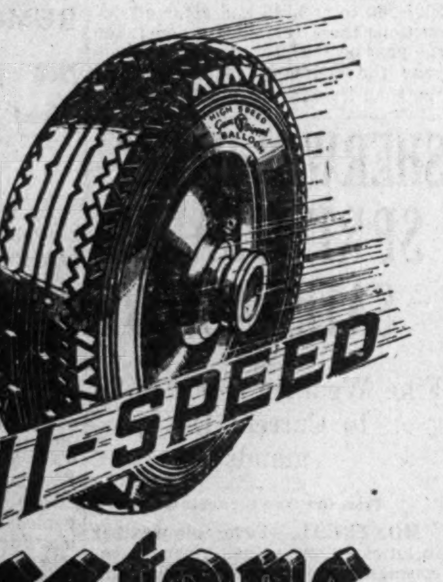

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NATION'S BUSINESS

(Continued from page 1)

hands of governments more power to cut expenses than they are willing to assume in good times, when political pressure to spend money is more insistent. Yet the economies that are put into force will carry on when good times return. If governments do not cut expenses in bad times they never can cut them in good times and extravagance will become unbounded.

Any business concern or government that does not set its house in order now will suffer when prosperity returns and efficient agencies of production or government are profiting.

* * *

PROBLEMS ARISE FOR DAIRYMEN

RECENT pronouncements in regard to butter production and the tariff are of special significance. Against the wishes of the National Dairy Council, Parliament, last September, increased the tariff on butter to 8 cents per lb. This action followed a campaign against New Zealand butter which did much to embitter trade relations between the two Dominions.

The increase in the Canadian tariff on butter, first by the Liberals and then by the Conservatives, caused New Zealand to put up the tariff on Canadian products, thereby cutting off valuable markets enjoyed by Canadian manufacturers.

It is now evident that the 8-cent tariff, coupled with low prices of feed grain, has caused a very large increase in butter production—so large, indeed, that domestic production will exceed domestic requirements this year, leaving a surplus for export. The Federal Department of Agriculture announces that butter production in the first two months of this year has increased as follows: Ontario, 21.2 per cent; Saskatchewan, 76.1 per cent; Alberta, 83 per cent. The increase in the other provinces is relatively as high.

Trade figures show the result of this rapid increase in production. Imports of butter in February were 468,851 lbs., while in the corresponding month of 1930, imports were 8,637,006.

* * *

IT IS expected that there will be a surplus of butter for export this summer, or next year at the latest, and when the stage of export is reached the price of butter will be controlled by world markets. The tariff will cease to be effective and dairy farmers will be in precisely the same position as wheat farmers.

These results are now being conceded by the National Dairy Council. In a speech at Winnipeg, on the occasion of the annual meeting of the council, F. E. M. Robinson, president, said:

"It has been our opinion that three or four years must elapse before we could make up the deficiency of nearly 50,000,000 lbs. of butter. The extra stimulus of the eight cent tariff, together with the enormous fall in grain prices, has caused, however, such a rapid increase in the butter made all over Canada that it now appears that we may be self-sustaining this season, and even have a surplus for export. This seems to be inevitable by next year at the latest. In all our arguments during the past few years, we have stated plainly that the effect of the tariff would be lost when export began. That is, in fact, the chief reason why we believed a four cent tariff to be of more lasting benefit than an eight cent one. We are now face to face with this condition."

* * *

AT THE moment, the export surplus of butter is of little value to Canadian farmers. It will cost them money this year. Thus, the immediate benefit to them of the tinkering with the New Zealand treaty that has so offended one of the best customers for our manufactured products is nil.

It is obvious that if Canada is to gain any net benefit from this rapid increase in butter production that our dairymen must so improve their methods that they can meet the world on the basis of quality and price. It is conceded that this is possible but that the attainment of the ideal will be a matter of hard work over a term of years.

'LANTIC SUGAR HEAD DISPOSES OF GUESSWORK

(Continued from page 1)

toward recovery, there was finally concluded in April, 1926, a funding of the company's major indebtedness, such funding being accomplished through the medium of general mortgage bonds issued at 5 per cent at one hundred cents on the dollar.

A realization of all the circumstances, said Mr. Seidensticker, cannot but confirm the wisdom of continuing the policy of restoring the ownership of the company to the shareholders and of avoiding the diversion of funds into dividends which can only be at the expense of the ultimate obect.

Interest in Stock

Market interest in Atlantic Sugar Refineries Ltd., was attracted a few months ago by a sudden spurt in the stock which carried it up in a steady advance from levels of around 5 to a high of 37½. At the time there was nothing apparent which would account for the unwarranted rise in the shares other than the possibility of increased earnings, which in fact, did materialize.

While it was mooted that a capital reorganization might take place there was no official confirmation to be obtained and the restrictions surrounding the bond issues made it clear that a very comprehensive reorganization would have to take place if any change was to be effected in the capital structure.

Toronto Group Represented

It was announced early in April that Gardiner, Wardrop & Co. had acquired a substantial interest in the common shares which amounted to control. The purchases were made in the open market.

This is confirmed by a glance at the newly elected board of directors, which has been reduced to seven: Lewis J. Seidensticker, president; P. R. Gardiner, vice-president; Mark J. Savage, secretary-treasurer and J. C. H. Dussault, K.C., Montreal; Salter A. Hayden, J. F. Van-Lane and W. J. Beattie, all of Toronto, directors.

Recent Years Prosperous

Atlantic Sugar has done well in face of the difficult conditions under which the Canadian sugar refiners have labored in the past few years. It has succeeded in covering its interest charges by a comfortable margin and has written off substantial sums on account of depreciation each year.

This depreciation account had been increased to $4,157,734 at the end of 1930 as compared with a property account of $6,136,651. Franchises, leases, and goodwill are carried at $3,000,000.

The expected increase in 1930 earnings was encouraging. Profits, after income tax, amounted to $1,104,721 as compared with $713,362 in 1929 and $623,495 in 1928. After all charges, including provision for a year's preferred dividend, earnings were equal to $5.33 a share as opposed to 50 cents a share in the previous year.

New Sugar Agreement

Whether this progress will be continued remains to be seen. Encouragement is seen in the announcement that seven of the world's largest exporting countries, including Cuba, have reached a definite agreement on the limitation of sugar exports over a period of five years.

They also decided to appoint an international sugar council of 21 members three from each of the seven countries. On the council Cuba will have 35 votes, Java 30, and the five beet sugar producing nations will have a total of 25 votes making 90 votes in all in the council.

Briefly the agreement provides for a graduated limitation of exports of sugar to go into effect when sugar prices reach two cents a pound. At the two cent price the export quotas of the nations would be increased by 5 per cent, amounting to about 225,000 tons in the aggregate for the seven countries.

It is further provided that when the price reaches 2½ cents the export quotas must be increased to a total of 10 per cent. The outstanding feature of the agreement is the fact that the government of the countries will back the limitations of exports by the issuance of licenses in accordance with the decision of the council.

SHERWIN PAINT SPRING SALES SATISFACTORY

(Continued from page 1)

effected by construction of the new lacquer factory.

Developments at the company's property at Red Mill near Three Rivers are interesting and may have a constructive bearing on earnings in the future. These mineral deposits contain a supply of iron oxide, sufficient to take care of the company's requirements for the next 35 years and active steps are being taken to speed production.

Install New Machinery

New machinery is being installed and will be in full operation in the near future. Grinding equipment will increase output and the company will be in a position to obtain a considerable surplus of iron oxide. A large part of this will be sold in the export market.

ARGENTINA TO CANADA IS BOTH GREAT MARKET AND STOUT COMPETITOR

(Continued from page 1)

fraternity free from all fear or jealousy; and it was also evident that, based on that feeling, there was a desire to do more direct trading with Canada. On all sides one heard expressions of resentment against the tariff action of the United States, which had an adverse effect on Argentine exports to that country.

Suggests Trade Treaty

This spirit of readiness to increase trade, was given official endorsation by the present Argentine Government, whose Minister of Commerce stated that his government was willing to consider with the Canadian Government what might be accomplished in this regard by the negotiation of a mutually advantageous trade treaty or agreement.

If such a thing is found to be practical and possible, and can be brought into existence, it would be of great help to Canadian producers and exporters. But even now, without it, there is undoubtedly a market in Argentina which is sympathetic to the purchase of Canadian goods, and therefore a market which is well worth investigation by every Canadian exporter. At the same time, it must be understood that it is a most competitive market; all the exporting nations of the world are fully alive to its importance. It is interesting to note that in 1929 the total value of imports into Argentina amounted to some 861 million dollars gold, of which Canada's share was about 12 millions, or about 1.5 per cent. Conversely, of Argentina's exports in 1929, totalling some 953 millions, Canada took less than one per cent. It is evident that at present, the trade between the countries plays a very subordinate part in their national economy.

Where Argentina Buys

The following table shows the proportion of Argentine import trade supplied by the chief nations now selling there, as shown by the 1929 figures:

United Kingdom	17.6%
United States	26.3%
Germany	11.5%
Italy	8.8%
France	6.1%
Belgium	4.8%

Argentina imports a number of commodities which at first glance it would be thought, Canada is well fitted to supply—such as dried fish, lumber, paper, etc. Yet the share of such business which Canada actually is now getting is very small. For example, the imports of dried fish are considerable but Norway and the United Kingdom supply the great bulk of this commodity. Investigation seems to show that these competitors are underselling the Canadian product. Siberian canned salmon dominates its market.

Undercut Us On Lumber

Similarly in lumber, all the Scandinavian countries, and Russia, are exporting to Argentina at prices which make it very hard for the Canadian lumberman to compete. They are helped by very low outward freight rates, which are possible because of the return European cargoes of hides, wheat, etc. In addition, Brazil is becoming an increasing factor in Argentina's lumber supply.

In newsprint, Canada has become a considerable factor, due to the aggressiveness of some of the Canadian newsprint companies, who have been successful in displacing European newsprint on the basis of quality.

Argentina consumption of imported newsprint is approximately 130,000 tons a year. In 1929 Germany supplied 41,533 tons, Canada 40,204 Finland 15,138, and Sweden 12,407. Consumption of newsprint in sheets, rather than reels, is roughly 10,000 tons, in which form quality is not so great a factor, and it is therefore difficult for Canadian producers to compete.

Other Papers Lag

In book, writing and fine papers, however, Canada makes a poor showing. Germany, United States, England, all lead her by large margins. In 1929, for example, England supplied to Argentina some 4,990,000 pounds, United States supplied 4,996,000, and Canada 16,000 pounds. The stationery market is now entirely divided between Germany, Italy and Great Britain; the wallpaper market between Germany, Great Britain and France.

It is in the field of manufactured products that Canada's hope of increased export trade to Argentina would seem to lie. The country is as yet chiefly an agricultural and pastoral one; and is likely to remain so for many years to come, owing to the absence of coal or accessible water power, although under protective tariffs certain domestic industries have greatly developed in recent years—such as hosiery. But it is likely that Argentina will have to import the great bulk of her needs in highly manufactured goods for years to come. It is in this category that the most of Canada's present Argentina exports fall—rubber goods, paper, farm implements, sewing machines, and automobiles. There would appear to be good opportunities for extending this list, particularly as there exists such a receptive sentiment to Canadian goods. As indicative of the progress which can be made in a highly competitive field, it is estimated that Canada now supplies 25 per cent of the Argentine imports of agricultural machinery, as against 70 per cent from the United States. There would appear to be fields worthy of investigation by Canadian manufacturers of such products as:

(1) **Heating and Cooking Appliances**—Central heat is being installed in all modern buildings, with a consequent demand for furnaces, radiators, steam fittings, etc. Gas and electric stoves are coming into general use. One Canadian manufacturer of the latter had an exhibit at the British Industries Fair, which was getting considerable attention.

(2) **Electric Appliances**—The Argentine is more favorably disposed to articles in this line of the American type rather than the English or continental, and if Canadian exporters can compete with American prices, they should be able to develop business. There is a large demand for electric washing machines.

(3) **Pumps and Windmills**—Considerable demand exists for windmill driven pumps of which over 150,000 are already installed throughout the country, many imported from Germany and the United States.

(4) **Bicycles, Tricycles**—In 1929, some 24,000 of these vehicles were imported, of which 20,000 came from Germany and France, and 4,000 from England. One Canadian firm is exhibiting at the Fair, and entering this market.

(5) **Bindertwine**—Canadian exports amounted in 1929 to $132,000, and should be capable of further expansion.

(6) **Rubber Goods and Tires**—Canadian exports to Argentina in 1929 amounted to $3,500,000. One large American Company have recently opened a local plant.

(7) **Iron Pipes, Tubing and Rods**—In 1929, Canada shipped to Argentina $134,000 of pipe and tubing, and there is the possibility of trade in bars and rods due to the large amount of ornamental iron work done locally.

(8) **Road Making Equipment**—Argentina will provide a large market for this type of equipment in the near future, because of the proposed programme of road building. It is at present being catered to almost exclusively by the United States.

The Canadian visit had a still further and important result—and that was to give those Canadians on the trip a better comprehension of the present development of Argentina, and its further potentialities. To those who had never been there before, the visit was a revelation. No city in Canada, for example, can compare with Buenos Aires, either in population or in beauty, it being evident that the latter was kept to the forefront throughout the growth and development of the city. The country itself is a land of tremendous potentialities; over three-quarters of its total area is suitable for agriculture, of which only 10 per cent is under cultivation at present. The varied climatic conditions which exist within its borders enable it to produce such diversified crops as cotton, sugar, rice, tobacco, fruits both temperate and tropical. The general impression is that in agriculture Argentina is only a wheat-producing country. It was somewhat surprising to learn that her agricultural exports were more diversified than those of Canada; that she normally supplies 46 per cent of the world's corn, and that in 1930 her corn crop exceeded her wheat crop in value by $15,000,000; that she is the largest producer of linseed in the world, supplying 70 per cent of the world's demands for that product, and that in 1930 this crop was equal in value to her wheat crop.

Dangerous Wheat Competitor

What was still more surprising was to learn that in the opinion of those who know both countries, Argentina's wheat lands are potentially better than those of Canada. This opinion was expressed by a representative of a farm implement company who was born in the Canadian West, and who knows it thoroughly. His belief is that Argentina will be Canada's most dangerous competitor in wheat. At present, owing to their methods, their yield is only about two-thirds of the yield per acre in the Canadian West, and their costs of production at least six cents per bushel more. But educative and instructional activities are constantly working toward an increase in the yield. The fertility of the soil is remarkable. In many areas it is possible to cut alfalfa four times a year, and in certain irrigated areas, it is actually being cut 11 times a year. In certain of the farming districts it is common practice, after the wheat has been cut, to plow in the stubble and immediately sow on it a crop of corn which matures in about 50 days!

Diversified Exports

Argentina's export of all grains in 1930 amounted to a total of $308,000,000; when it is realized that in addition to that, she exported animals and animal products such as frozen and chilled beef and mutton, hides, etc., to the value of $243,000,000, Canadians will realize that she has a diversified agricultural and pastoral production of which they may well be envious.

In view of the fact that Argentina is so much a competitor of Canada in the world's wheat market—supplying in 1929, 45 per cent of the United Kingdom's imports as compared with 27 per cent from Canada—one further development during the visit of the Canadian trade mission, may be of great importance to both countries. This was the statement from the minister of agriculture, that the Argentine Government would be willing to enter into an international conference with Canada, the United States and Australia on the question of the orderly marketing of their joint wheat production. The possibilities of such a conference are highly interesting, and it would seem should promise at least such results as are expected to follow from the sugar rationalization plan. As Australia has expressed her willingness to sit in on the consideration of such a plan, it would seem that it now only needs the same assurance from Canada and the United States, to bring such a conference into existence.

Lacks Elevator Storage

At the present time Argentina has practically no elevator storage for her grain, with the result that her wheat has to be marketed as soon as it is ready. The new Government propose remedying this condition, and have provisionally arrived at a programme of building 900 elevators, situated at 600 different points throughout the country, at an estimated total cost of $20,000,000. No definite date has as yet been announced for the inception of this building programme.

Our Banks Are There

One feature of Canadian participation in the economic life of South America, which impressed all members of the Canadian mission, was the extent to which our Canadian banks have established themselves in these countries. It is not generally realized by Canadians that there are now many branches of Canadian banks operating in South America, and a large number in the British and French West Indies. These have been the pioneers of Canadian export trade, and more than any other thing have served to favorably bring Canada as a nation, before the people of the various countries in which they are located. It should be understood that they are carrying on what may be called a local business, in competition with the local banks of the various countries; the amount of business which they do with Canadian interests in their particular field is very limited—less than one per cent. But it should be further understood that they are eager and willing to give all the help and service which they can to any Canadian who is considering entering that field. During the progress of this Trade Mission, the services which they have rendered in this respect have been most marked. They have been able to introduce Canadian business representatives to the local firms best suited to act as agents, and at the same time to vouch for the financial strength and reliability of both parties. Any Canadian firm which is considering entry into any of the South American markets, should enlist the services of the Canadian bank established there. They will find it to be of great help.

Another comparatively recent development toward the furtherance of our South American trade, has been the shipping service inaugurated by the Canadian National Steamships in 1928. This has been of great help, as is shown by the fact that cargoes, both outward and inward, have been gradually increasing. It is understood that the C. N. S. hope to shortly increase the frequency of this service, which is now a monthly one.

The visit of the Mission to Brazil was only of short duration, but nevertheless was most sympathetically received. The Brazilian minister of commerce, in a speech to the delegation, stated that Brazil was anxious to develop its trade with Canada, and was willing to consider with Canada the possibilities of a trade treaty. This is of importance to Canada, because the exports of Brazil are not competitive, but rather complementary, to those of Canada, and there would seem to be the possibility of mutually advantageous trade. As an example, Brazil in 1929, imported some 28,000,000 bushels of wheat, of which less than 1,000,000 was supplied by Canada.

Taylor Resigns Position With Lake Superior Corp.

From Our Own Correspondent

MONTREAL.—Lake Superior Corp. announces the resignation of Alex. Taylor as secretary and vice-president of the Lake Superior Corp., as secretary and director of the Algoma Steel Co., and as secretary and director of the Algoma Central & Hudson's Bay Railway Co. Mr. Taylor has been an executive of these companies for a period of about twenty years and his resignation was tendered in view of his taking up residence in England, where he will continue to devote a certain amount of his time to the affairs of the above companies in England.

No successor has as yet been appointed to succeed Mr. Taylor.

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Mr. John P. Bickell
and
Mr. Alfred Rogers

on behalf of the partners beg to announce that

Mr. Geo. H. Ross,
Toronto,

was on this date admitted as a partner in the firm.

New York
April 15th, 1931

1763

FAMOUS PLAYERS EARNINGS FOR 1930 EXCEED $5 SHARE

Larger Write-Offs Lessen Amount Available for Common

From Our Own Correspondent

MONTREAL.—Gross income of Famous Players Canadian Corp. showed an increase of 26.4 per cent during the fiscal year ended August 31, 1930, compared with the preceding year, but after taking care of prior charges and writing off larger sums for depreciation and sound equipment, net income was approximately the same as in the preceding year.

The financial statement for last year shows a gross income of $4,268,893, up from $3,417,904 in 1929. Depreciation charges of $484,559 were more than double those of 1929. Bond interest and income tax payments were a trifle higher, while the write-off for sound equipment was increased from $208,280 to $454,656. There was an additional write-off of $178,682 for sound equipment installation.

Earned $5.03 a Share

Net income applicable to dividends for 1930 amounted to $1,906,255. This compares with $2,085,283 in the preceding year. Earnings for 1930 were equal to $5.03 on the 378,660 shares of common stock outstanding, as against $6.24 on 327,640 shares in the preceding year.

Particulars of the profit and loss account follow:

	1930 $	1929 $	1928 $
Gross profit	4,268,893	3,376,845	1,507,068
Sale of prop.	......	41,059	......
Total	4,268,893	3,417,904	1,507,068
Deduct:			
Deprec.	484,559	225,508	301,632
Bond int.	614,170	575,852	250,446
Income tax	176,190	170,000	132,732
†Write off	......	......	20,000
*Sound equip.	454,656	208,280	......
*Sound inst.	178,682	......	......
Def. charges	289,346	152,980	87,398
Balance	2,071,290	2,085,288	714,860
Minority int.	165,035	......	......
Balance	1,906,255	2,085,283	714,860
Pfd. divid.	......	......	252,054
Balance	1,906,255	2,085,283	462,806
2nd pfd. divid.	......	......	60,000
Balance	1,906,255	2,085,283	402,806
Dividends	735,730	......	......
Balance	1,170,525	2,085,283	402,806
‡Spec. Appr.	1,024,278	......	......
Surplus	146,247	2,085,283	402,806
Prev. surp.	3,071,433	986,151	583,345
P. & L. bal.	2,217,680	3,071,434	986,151

†Stated value of 30,000 shares of no par value issued to old second preferred shareholders at time of het. of stock.

*Proportion of cost of sound equipment and installation of grouped 1929 report.

‡For contingencies, depreciation of properties, leaseholds, etc.

Liquid Position Stronger

The liquid position of the company as indicated by the excess of current assets over current liabilities, shows a marked improving, the favorable difference increasing during the year from $392,530 to $948,369.

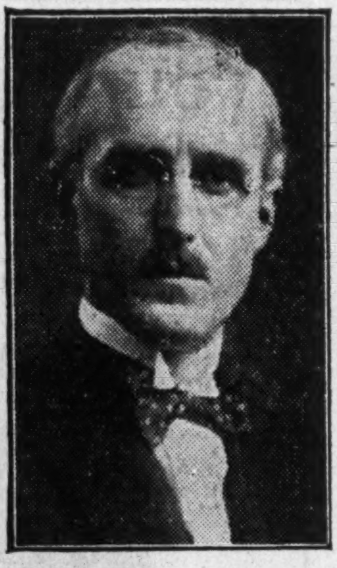
Assets of the company as at August 31, 1930, totalled in value $27,508,673, a gain of roughly $2,200,000 over the total reported at the end of the previous year. Property account shows an increase in value from $10,843,051 to $12,997,836. The value set against franchises has advanced from $6,427,349 to $7,766,965. Investments in affiliated companies has declined from $4,368,310 to $2,756,738. Mortgages receivable and advances show only minor changes.

Holdings of government bonds have increased from $22,487 to $338,557. Cash position still remains strong, amounting to $1,422,723 compared with $1,622,858. Inventory is kept at the low figure of $23,544, while deferred charges have been cut from $1,886,613 to $1,665,638. Two new items in this year's report are deposits of $21,415 and a sinking fund of $405.

More Stock Issued

On the liabilities side of the balance sheet, capital stock outstanding has increased from 327,540 to 378,660 shares, valued at $7,708,500 and $8,987,825, respectively. Subsidiary stocks outstanding are shown at $1,005,864, up from $385,890. Funded debt has been lowered from $8,880,000 to $8,558,500. Other mortgages have been cut from $1,288,321 to $1,059,890. Sundry charges are up from $304,629 to $547,052, while purchases have been lowered from $304,629 to $14,621. Depreciation reserve now stands at $3,045,767, compared with $1,989,218 a year ago, while a new contingent reserve of $375,000 has been set up.

Becomes Partner



GEORGE H. ROSS
Canadian manager, Thomson & McKinnon, members of New York Stock Exchange, who has become a partner of the firm.

ROSS NOW PARTNER IN BROKERAGE FIRM

Is Third Canadian Member of Important New York House

The announcement was made April 15 by J. P. Bickell and Alfred Rogers, partners in the firm of Thomson & McKinnon, members New York and other leading stock exchanges, that George H. Ross, Canadian manager of the firm, has been elevated to partnership in the company.

Mr. Ross is the third Canadian to be admitted to partnership in this well known brokerage house. Before his appointment as Canadian manager he served with distinction as commissioner of finance and city treasurer for Toronto from 1920 to 1929, prior to which he was a senior executive of one of the Canadian chartered banks.

As an authority on municipal finance, Mr. Ross has contributed many articles to various publications. He is a past international president of Kiwanis and he numbers among his acquaintances many prominent Canadian and American business executives.

The brokerage firm of Thomson & McKinnon is one of the largest on the continent, with principal offices in Chicago, New York, Indianapolis and Toronto connected by direct wire, and with correspondents in many cities. They are members of the New York and Chicago Stock Exchanges, New York Cotton Exchange, New York Produce Exchange, New York Coffee & Sugar Exchange, New York Curb Market, Winnipeg Grain Market, Chicago Board of Trade and the Rubber Exchange Incorporated.

CANADA MUST SAFEGUARD FOREST CAPITAL

(Continued from page 1)

terms, increased yield per acre and regulated production can be made to comprehend all the activities and ideals of a national forestry policy. It will be understood, of course, by the reader that such a definition does not include the so-called indirect benefits of the forests such as the influence of a forest cover in regulating streamflow. The definition refers only to the business of producing raw material in a continuous succession of crops to be fabricated by the wood-using industries, which, after all that may be said and done, is the main object of forestry endeavor.

Growing More Wood

In view of the still remaining considerable quanities of virgin stands and especially of our enormous forest area, it may seem strange to the reader that foresters make increased yields their first principle. As stated above, however, it is an increased yield per acre for which the forester is striving. Also it should be emphasized that forestry is a business. Everyone knows that in a well organized manufacturing business, the cheaper the raw materials the greater is the margin of profit, granted of course a sellers market. Heavy stands of timber within reasonable distance from the point of manufacture, mean relatively low and light stands relatively high operating costs.

It is not generally known to the public at large, nor its significance realized, that the average yield of spruce pulpwood in Eastern Canada is not more than five or six cords per acre or the average yield of white pine not more than fifteen hundred board feet per acre. As a rule in regions of moderate rainfall such as we have in Canada except for the west coast, nature undirected and uncontrolled by the intelligence of man produces relatively light stands of commercial timber. The situation is analogous to what would occur in similar uncontrolled conditions in the case of agricultural crop production.

When our forests have received intelligent human treatment as long as certain European forests have received such treatment, the woods operators could cut on one township an amount of timber for which they now have to cut over an area equivalent to ten or twelve townships. Other things being equal this would greatly cheapen the cost of production.

Some Low-cost Mills

Fortunately for the wood-using industries there are exceptions, even in Eastern Canada, to the general rule of light stands of commercial timber. It is to be earnestly hoped that the situation of the mills which have withstood the ravages of the present industrial cyclone, has not escaped the notice of the more acute business men and of our legislators. They are the mills that have heavier than the average stands of timber behind them or those that are favorably situated from the standpoint of transportation. In other words they are the mills that can produce wood relatively cheaply. The mills that have to go all over the lot or to long distances to get their wood are lying idle. Let us repeat that the first object of forestry is to increase the yield of wood per acre.

Increasing the amount of wood produced on the average acre includes such activities in the forest as fire protection, protection from injurious insects and fungus diseases, reforestation by planting and reforestation by creating receptive conditions on the forest floor so that the selfsown seed from the parent trees may have an unlimited opportunity to germinate and produce new forests after the logger has passed over the area.

Public Just Waking Up

The desirability of carrying on all these lines of forestry work should be maintained in any declaration of a national forestry policy. Foresters in the past quarter century, in early days against strong opposition and often ridicule, have demonstrated the necessity of forest fire protection and of reforestation by planting. At least they have been working on them that long or longer but the general acceptance of their necessity on the part of the public has been of comparatively recent origin.

All of the other items mentioned above are still in a more or less experimental stage. They will be pursued by foresters through demonstration, in the field and through public education until their necessity is accepted by the people. All of them will require a great deal of investigation and research and a good start along these lines has been made by the Dominion Government and those of practically all of the forested provinces. It would be most unfortunate if money grants for these purposes were curtailed in any way. So much depends upon the continuity of forest production that any apparent economy in carrying on forestry work would only mean financial loss in the end.

Regulation of Output

The second principle to be laid down in a rational forest policy is, as indicated above, the regulation of production. This means the orderly succession of forest crops in which the same area is cut over periodically. In order to accomplish this, there must be sufficient accumulation of wood by natural growth between the periods of cutting on the area to make the subsequent cuttings profitable to the operator. In order to accomplish the latter object in turn, a certain amount of wood, or number of living trees, must be left in the area at the time of the first cutting so that the growth between the periods of cutting will have something to which to attach itself; it must have a matrix and that matrix is living trees.

Unfortunately for the permanency of a lumber industry in a given community, under many of our present logging systems no matrix is left or at least not in sufficient quantity to make another crop profitable within a reasonable length of time. In a well managed forest, this growth between the periods of cutting is laid down on the trees left for the purpose. Trees increase in height and diameter each year, or in other words their volume of wood increases. The total accumulation of new wood in a growing season on a given area is designated by foresters as the annual growth. Now this annual growth has little or no significance to a timber limit operator if it is laid down on trees of no potential commercial value or on trees of commercial species if they are so small that long years must elapse before they attain marketable size. It follows then, if periodic cuttings are to be maintained within economic intervals of time some of the trees must be left so that the accumulated annual growth will bring them to commercial size in a relatively short time.

Trees Are Forest Capital

The standing trees on an area are the forest capital and the annual growth is the interest on that capital. The greater the capital, the greater is the amount of accumulated interest in any given period of time; the smaller the capital the less is the accumulated interest. Under most of our logging methods, practically all of the forest capital is removed at one operation. This results in four conditions, not generally understood by the operators or by the owners of the Crown lands, the people.

First, as indicated above, it delays the accumulation of annual growth to the point of commercial value, through a period so extended that the operator cannot afford to wait for it.

Secondly, there is little doubt that the operator in many cases loses money in cutting the smaller sized trees in that they do not yield enough wood to pay for the cost of cutting, transportation to the mill and manufacture into marketable products. The operator doesn't realize he is losing money because the loss is absorbed by the profit on the larger trees, but of course his profit on the operation as a whole is reduced by such methods.

Terrific Shock to Nature

In the third place, the cutting of the smaller and younger trees in many cases is poor business from the standpoint of the owner, that is, the public, because when they are from four to eight inches in diameter they are as a general rule making the most rapid growth of any period of life, or in other words they are earning their highest rate of interest. The practice of cutting the younger trees is analogous to the action of an investor in a business enterprise withdrawing his funds when the dividend returns were high.

In the last place, the removing of practically all of the forest at one operation results in a terrific shock to nature. The conditions under which the trees in a mature forest live are in a state of equilibrium gradually acquired. It is the result of the accumulation of minor adjustments through a long period of years, perhaps a century or more. When this is swept away in a short time by the logging operations, the adjusted conditions of temperature, light exposure and soil are severely changed to the disadvantage of tree growth. Forest growing conditions have to be re-established and that takes a long time, hence the natural replacement of the forest is long delayed, too long again to interest the operator in the area.

Cutting by Thinning

In order to sustain the productivity of the forest and thus maintain a lumber industry in a community for an indefinite period of time, we must refrain from subjecting our forests to sudden and violent changes in their living conditions. We are now suffering from similar changes in our economic life. After all, trees react much like humans to a rapid disturbance in methods of living. In those European countries where the productivity of the forests is maintained indefinitely, the forest capital over wide areas is not all removed at once. They have learned by sad experience that it can't be done with any hope of sustained prosperity of the lumbering industries. Clean cuttings may be made in a well managed forest, economic forestry practice may demand it, but they cover relatively small areas. The practice as a rule is to remove the forest by successive stages in a series of thinnings, resulting in many small openings instead of one great big one. Thus the forest living conditions are not subjected to a violent shock; the forest keeps on growing without interruption. In fact, the growth of the trees remaining is accelerated by proper thinnings; the soil in the small openings is usually receptive to seed germination; the adjacent trees furnish plenty of seed and at the same time protect the young growth so that the replacement of the trees removed is generally assured.

Exploiting to Exhaustion

We have seen from the discussion in the earlier part of this article, that unregulated forest production, in the long run, works injury both to the leaseholder, the operator, and the owner of forested Crown lands, the public. It results in lack of continuity of operation on the part of the leaseholder and the lack of continuity of interest return to the owner. We have quite illogical ideas about the development of our natural resources. The water powers we develop and attempt to maintain at a definite level of productivity. The same may be said of the game reserves. In case of fish and forests, however, we think to exploit to the point of exhaustion is to develop. The idea that we can use and perpetuate, and even increase, at the same time, has not impressed itself on the public consciousness.

The upshot of the whole matter is that if we are to have real permanency in our forest industries we, the public, the actual owners of the Crown land forests, must change our attitude toward them.. Heretofore we have thought of them only as sources of present profits. That was a logical and reasonable attitude when their supplies in relation to the demands upon them, were unlimited, when one area was cut out, the operator was able to pull up his stakes and move to another, but that time has passed. Our pioneering stage so far as the forests are concerned, is gone forever. Hereafter we must make the needs of the forest as a going concern our first consideration.

Permanent Economic Unit

We must regard the forest on non-agricultural land as a permanent economic unit in our national economy. We must to a certain extent sacrifice present profits for the sake of future dividends and allow cutting only to an extent that shall not interfere with the continuous wood-producing capacity of the forest. This in itself would act as a check on over-production and would safeguard us to a certain extent against the recurrence of the disaster in regard to forest products through which we are passing with its trail of blasted hopes and shrunken pocketbooks.

How this may be accomplished demands the attention of the best business minds and highest technical skill to be had in the Dominion. The actual solution of the problems concerned will be worked out through field demonstrations, investigation and research, in the same way the problem of increasing the yield per acre in our forests will be solved, as pointed out in the previous article. In fact, practically all of the forestry organizations in the country are already at work on the problem of procuring continuous production in our forests and thus of safeguarding the prosperity of our wood-using industries.

Public Funds Necessary

So far as the writer knows, there has been no discussion of the advisability of cutting down governmental appropriations for investigation and research in agriculture but there have been suggestions that public grants for this purpose in forestry should be drastically curtailed, yet the forests in normal times contribute more wealth to the country each year than any other source except the farms. It is of great interest in this connection to point out that Great Britain in spite of her great load of financial responsibilities in a time of industrial depression and unemployment, immeasurably greater than Canada's, has increased her appropriation for reforestation and forest research from three and a half million pounds for the past ten-year period to nine million pounds for the coming ten-year period.

Resourceful

Draw on our resourcefulness if you have any financial problems.

We have helped many others and would likely help you solve your problem.

Crown Trust Company

Authorized Capital	$5,000,000
Paid-up Capital	1,000,000
Reserve Fund	400,000

St. James Street · Montreal

EXECUTORS, TRUSTEES, ADMINISTRATORS
Guardians, Transfer Agents, Bond Mortgage Trustees
Savings Department
Real Estate Department
CHARTERED TRUST & Executor Company
34 King St. W., Toronto
132 St. James St. W., Montreal

The Adventure of the VITAL LINK

Sherlock Holmes solves the problem of the KINGSTON MARKET

Kingston is Growing

Building Permits (1930)	$1,056,986
Harbor Expenditures (1930)	
Government Work	735,000
New Elevators	1,250,000
Federal Institutions, pay-roll and maintenance (1930)	1,500,000
Provincial Institutions, pay-roll and maintenance (1930)	400,000
Queen's University, annual pay-roll	700,000
Increase in Hydro power users in district in 1930	
New subscribers	550
New miles of line	112
Annual Purchasing Power, over	$15,000,000

NEWBORO
VERONA
SYDENHAM
DESERONTO
NAPANEE
KINGSTON
ODESSA
PICTON
GANANOQUE

Demonstrating that Kingston is a necessary link in any cross-country merchandising campaign, because it fills the gap between Montreal and Toronto.

"This map," said Holmes, "demonstrates my point."

"An advertiser is planning to cover Canada from coast to coast. What are the first places he thinks of, Watson?"

"Montreal, Toronto, Winnipeg and Vancouver," I answered.

"Precisely," Holmes agreed. "But then, he has to close the gaps between these places. Contiguous secondary trading areas close the western void. He turns to Halifax and Saint John in the Maritimes."

"And," I interrputed, "to Kingston to bridge the gap between Montreal and Toronto."

"Watson, you scintillate," exclaimed my friend. "No cross-country campaign can be complete without the Kingston Whig-Standard, the only newspaper that covers this growing, prosperous and self-contained market.".

The Kingston Whig-Standard
The Only Daily Paper in the Kingston Trading Area

INVESTMENT SECURITIES
T. M. BELL & COMPANY LIMITED
Head Office:
SAINT JOHN, N.B.
Moncton Fredericton

The MOST for Your Money

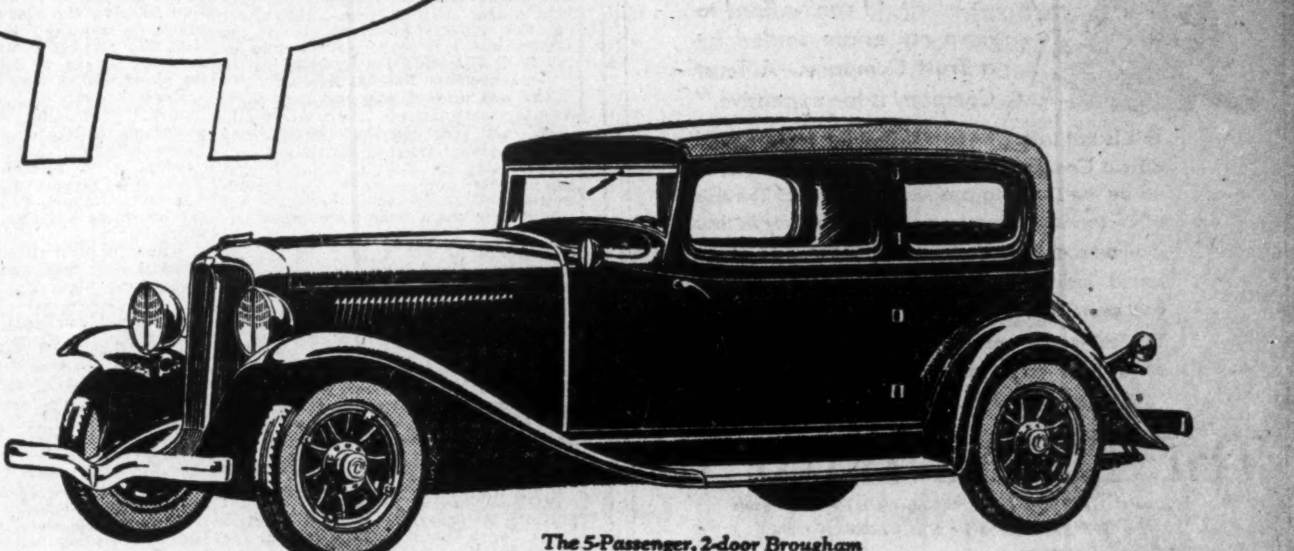
X-type Cross Member in frame
Silent Mesh Transmission with helical cut gears
127-inch wheelbase
98 horsepower
Powered by Lycoming
Straight Eight perfected after 7 years' experience
Automatic chassis lubrication
Frame side rails 8" deep, 5-32" stock
Two rear cross members, cross braced
Double frame channel over rear kick-up
Larger engine bore
Improved valve cooling
New style piston and ring
New type self-adjusting carburetor
4-blade self-lubricating fan
Distributor head and wire conduit removable together
Wider rear tread—61"
Steel-draulic brakes
Brakes, self-energizing
Brakes cannot jam
Brakes work independently
Extra large braking surface
Four 2-way Lovejoy hydraulic shock absorbers
Exhaust pipe, asbestos insulated
Muffler completely insulated with ½" asbestos
No metal-to-metal contacts
Roller-bearing, cam and lever steering
Steering wheel adjustable to 3 positions
Steel running boards covered with vulcanized rubber
Widest door on any car on Brougham and Coupe
Widest rear seat of any production car
Sloping windshield
Greatest percentage of vision
Shortest turning radius of any car of comparable length
Phaeton Sedan only 65" high
Sedan only 68" high
Box Construction steel frame doors
Entire body front, all steel
Ribbed steel cowl dash
Folding windshield on convertible models
New front-door glass channel construction
Adjustable front seats
Extra leg room in front
Aviation type instruments
Dimmer lights foot-operated
Body specially insulated
Asbestos and wool felt insulated dash
Heavy insulation on door and body panels
Floor boards insulated with ½" wool felt
Anti-squeak between all fenders, flashings and the body

We believe that no automobile dealer, no matter how willing, can render a service to his clientele that *is not built into the car* that he handles. That is why we take pleasure in inviting you to inspect and compare the new Auburn cars. We have adopted the factory's policy for our own policy, namely: "If the car does not sell itself, you will not be asked to buy."

$1405
freight to be added

AUBURN
POWERED BY LYCOMING

Free Wheeling in all Custom Models

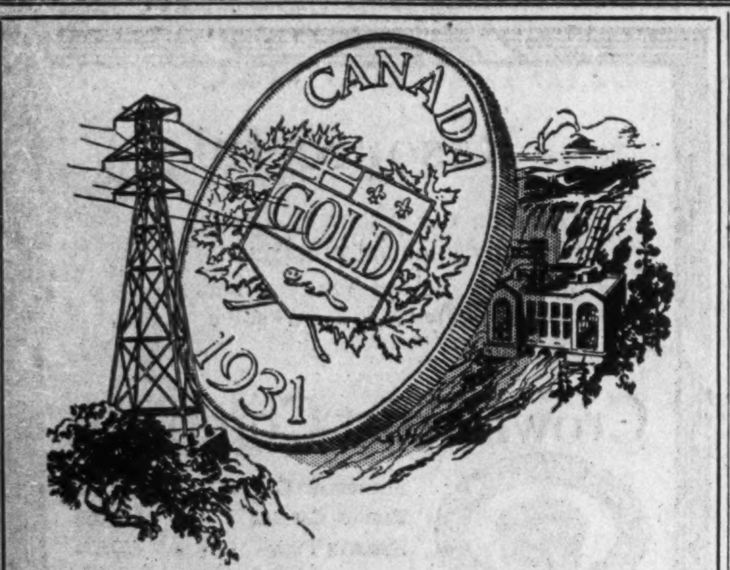


The 5-Passenger, 2-door Brougham

NEW CANADIAN LIST PRICES. *Freight to be added.*

All Custom Models include Free Wheeling. Custom Models 8-98A: 5-passenger, 2-door Brougham $1695; Business Man's Coupe $1895; Convertible Cabriolet $1975; 4-door Full Sedan $1895; Convertible Phaeton Sedan $2125. Standard Models 8-98: 5-passenger, 2-door Brougham $1405; 4-door Full Sedan $1475 Convertible Cabriolet $1545; Convertible Phaeton Sedan $1690; Business Man's Coupe $1475. *Prices subject to change without notice.*

AUBURN AUTOMOBILE COMPANY, AUBURN, INDIANA, U. S. A.



MORE GOLD . . .
MORE POWER!

ONTARIO'S gold production has more than trebled in the past decade. For 1930, production exceeded $35,000,000. This year, the gold producing camps of Northern Ontario will exceed their 1930 output by $10,000,000.

Hydro-electric power is furnished exclusively to the gold mining industry in this territory by Canada Northern Power Corporation Limited. Increasing gold production means increased power demands and electrical consumption.

We recommend

CANADA NORTHERN POWER CORPORATION LIMITED
5% Collateral Trust Sinking Fund Gold Bonds—due 1953
Price $93.00 and accrued interest to yield over 5.55%
(Plus transfer tax)

NESBITT, THOMSON and Company Limited
Royal Bank Building, TORONTO
Montreal Quebec Ottawa Hamilton London, Ont.
Winnipeg Saskatoon Calgary Victoria Vancouver
Paris (France) 894

National Light and Power Buy New Turbo-Generator

From Our Own Correspondent

MONTREAL. — National Light & Power Co., operating at Moose Jaw, has received a new 10,000 k. w. turbo-generator from the C. A. Parsons & Co., of Newcastle-on-Tyne. When this addition is installed, the total full-load capacity of the Moose Jaw plant will be 21,000 k. w.

It is expected that the new unit will be in operation by the beginning of July next.

EUROPE
5 days from Quebec
VIA ST. LAWRENCE SEAWAY

● Boat train, Montreal to Quebec dockside . . . then aboard mammoth new Empress of Britain . . . then 2 days gorgeous St. Lawrence Seaway, only 3 days open ocean . . . direct to Cherbourg and Southampton.

Canadian Pacific's fleet of 13 giantesses offer 3 to 5 weekly sailings from Montreal and Quebec . . . luxurious Empresses, regal Duchesses, popular lower-cost Cabin liners. To 9 European ports. Every type accommodation.

"Always Carry Canadian Pacific Travellers' Cheques . . . Good the World Over."

Canadian Pacific
Reservations from your own agent
J. BLACK MACKAY, General Agent,
Canadian Pacific Bldg., Toronto 895

A SAFE EXECUTOR FOR YOUR WILL

THE TRUTH ABOUT A POPULAR FALLACY

IS TRUST SERVICE EXPENSIVE ?

"I can't afford to have my estate settled by a Trust Company. A Trust Company is too expensive."

This is not true. The fact is that the fees allowed a Trust Company are no larger than those allowed by the Court to a private executor. The use of its services represents sound economy in that it eliminates mistakes due to inexperience or unsound judgment, which may prove expensive and even disastrous.

The settlement of an estate or the handling of a trust calls for permanence, experience, knowledge and technical skill.

THE ROYAL TRUST Co
Executors · Trustees · Investment Agents · Transfer Agents
Trustees for Bondholders · Safe Custodians · Etc.
59 YONGE STREET · · · TORONTO
BRANCHES THROUGHOUT CANADA
Assets Under Administration Exceed $530,000,000
NO ESTATE TOO SMALL FOR OUR ADMINISTRATION 24

Utilities and Transportation

INTERNAT. HYDRO REPORTS PROFITS AHEAD LAST YEAR

Earnings on Class "A" Double Dividend Needs

From Our Own Correspondent

MONTREAL. — International Hydro-Electric System, a division of International Paper & Power Co., reports net earnings for 1930 of $3,423,343, or the equivalent of $4.30 of the average number Class "A" shares outstanding during the year. This compares with earnings at the annual rate of $4.25 a share on the average number of Class "A" shares outstanding during the system's initial fiscal period from April 1, 1929, to December 31, 1929, inclusive.

In both instances, net earnings are shown after interest, depreciation, dividend and amount applicable to minority stock of subsidiaries, and dividends on preferred stock of the system.

Gross Over $50,000,000

In an official preliminary statement, the system reports a gross revenue for 1930 of $50,397,825. For the nine months' period ended December 31, 1929, gross revenue amounted to $35,389,959. Though these figures are not wholly comparative, the income and surplus accounts for the two periods follow:

	1930	Apr.-Dec., 1929
Gross revenue (inc. other income)	$50,397,825	$35,389,959
Net before interest, depreciation, dividends and amounts application to minority stocks of subsidiaries, etc.	28,400,088	18,443,549
Balance for dividends on System stocks ..	3,790,693	1,837,542
Dividends on System preferred stock — convertible $3.50 series	367,350	......
Dividends on System Class A stock	1,594,806	859,330
Net added to surplus	1,828,537	978,212

Output Shows Gain

The combined output for 1930 of Canadian Hydro-Electric Corp. and New England Power Association, the two subsidiaries of International Hydro-Electric System, was 4,173,923,000 kw.h., an increase of 8 per cent over 1929. The physical properties of the operating subsidiaries include, in addition to 469,300 h.p. of installed steam electric capacity, hydro - electric generating stations with a capacity of 1,148,289 h.p., of which all but 34,000 h.p. is now in operation.

From the standpoint of installed hydro-electric capacity the system is believed to rank fourth among the producers of electric power in North America.

The report states:

"A new contract was entered into between Gatineau Power Co., a subsidiary, and Ottawa Electric Co. under which the latter is now taking 21,477 horsepower. The amount taken is to increase each year until the contract total of 45,000 horsepower is reached in 1939. Present long term primary power contracts of subsidiaries of Canadian Hydro-Electric Corp., call for ultimate minimum deliveries aggregating 549,963 horsepower, including 16,631 horsepower being taken by Gatineau Electric Light Co.

Power Deliveries Increase

"Deliveries of primary power under these contracts in 1930 were at the rate of 349,853 horsepower until October 1 and 454,440 horsepower for the balance of the year. By October 1, 1931, it is anticipated that total primary deliveries will have further increased to 470,440 horsepower, out of the 549,963 horsepower total. The results for 1930 do not therefore, reflect the full benefits of the major development programme of 1925 to 1929, and a substantial increase in net revenues may be expected in 1931, with further increases in subsequent years.

"In spite of the present decreased consumption of power by industry, progress was made by the subsidiaries of New England Power Association in developing new business and increasing connected load.

More Customers Served

At December 31, 1930, 342,669 electric customers were being served, an increase of 8,753 since the end of 1929. During the year 25,282 kilowatts of additional power load were obtained, representing under normal conditions more than 59,500,000 kilowatt hours increase in annual sales. In addition electrical merchandise to a value in excess of $2,000,000 was sold to consumers, representing an estimated additional consumption of 9,300,000 kilowatt hours per annum. As business returns to normal the new customers and additional load obtained and the continuing growth in domestic and lighting sales should result in substantial increases in output."

B. C. POWER OPPOSE NEW BUS SERVICE

Claim Granting Franchise Would Have Adverse Consequences

From Our Own Correspondent

VANCOUVER. — Proposals for the establishment of a bus service in Vancouver and suburbs in competition with the B. C. Electric Railway, a B. C. Power Corporation subsidiary, are being strongly opposed by W. G. Murrin, president of the company.

Mr. Murrin has told the Vancouver city council that any serious reduction in the revenue of the B. C. Electric would transform the company's margin into a loss, with a disastrous effect on the $10,000,000 invested in the system and the economic standing of the B. C. Electric's 1,800 employees.

Jeopardize Present System

The bus project, sponsored by C. F. Rymer, formerly of Liverpool, would "seriously jeopardize the very existence of the present transportation system," according to Mr. Murrin, who said that the proposed routes for the bus service would not serve new territory but would take the cream from the tramway system's traffic.

A graduated fare, as proposed for the buses, would undermine the whole flat rate structure, designed to give a uniform rate to the inside and outer sections of the city, added Mr. Murrin. In some areas, he points out, it would be an economic impossibility to maintain services in competition with buses.

The council has held in abeyance action on the proposed bus service.

Nominingue Seeks Service from Gatineau Electric

From Our Own Correspondent

MONTREAL. — Village of Nominingue, P.Q., wants the Gatineau Electric Light Co. to supply electric current for street lighting and domestic purposes, as well as power for the establishment of a water-pumping station.

Application to this effect has been made to the Quebec Public Service Commission, which will decide upon what terms it would be practicable for the company to supply the service. The company, on the other hand, has notified the commission of its readiness to supply light and power, provided that it can be done economically.

English Interests Back Vancouver Bus Plans

From Our Own Correspondent

VANCOUVER. — An English omnibus manufacturing company has been disclosed as the chief financial interest behind C. F. Rymer, of Liverpool, seeking concessions from the city to run a motor bus service in competition with the B. C. Electric Railway, a B. C. Power Corp. subsidiary. Mr. Rymer says that he proposes a graduated fare of 3, 5 and 7 cents and that he felt reasonably certain of a return on capital invested.

The Rymer proposal is being opposed by B. C. Electric through President W. G. Murrin, who contends that it constitutes unfair competition.

The city council is still dealing with the proposal.

M. L. H. & P. CONS. REFUTES CHARGES ON SERVICE FEES

City Alderman Claims Service Charge Illegal Taxation

From Our Own Correspondent

MONTREAL.—Alleging that the service charge levied against consumers of gas and electricity was an illegal form of taxation, Alderman Bruno Charbonneau, of the Montreal City Council, launched a public attack against Montreal Light, Heat and Power Cons.

In answering this charge, John S. Norris, vice-president and managing director of Montreal Power, pointed out that authority for making the service charge does not rest with the company, but is authorized by the Quebec Public Service Commission. His remarks on the service charge are interesting and important from the point of view of the public utility operator and are reprinted herewith in full:

"Such statements indicate either ignorance of the actual condition or a wilful distortion of the facts. The practice of making a service charge is general with all gas and electric utility undertakings throughout the country, including the hydro-electric undertakings in Ontario and is necessitated by fixed charges in connection with rendering service.

Basis For Charge

"These include interest on the cost of meters; fees for Government inspection, as meters must be tested and officially sealed before being put into service and reinspected and resealed at stipulated intervals; expense of installation, removal and replacement; depreciation, actual repair work and other service features common to all our customers for which an equable charge can be made in no other way.

"Obviously, a small service charge such as this could not be included in rates for gas and electricity as this would favor some customers at the expense of others, whereas all customers receive the same service for which the charge is made.

Service Rate Authorized

"Authority for making this service charge does not rest with the company, but is authorized by the Quebec Public Service Commission, which responsible body has previously studied the matter and rendered its decision in the best interests of our customers. From this it will be apparent that to style the service charge 'illegal taxation' is as ridiculous as it is unwarranted.

"The statement that this company has promised to remove the service charge, if exempted from taxation, is also erroneous. The reasons, as pointed out, for existence of the service charge makes it quite impossible to remove it for any consideration.

Allege Unfair Taxes

"Furthermore, this company does not expect to be exempt from legitimate taxation, but has, on behalf of its customers, appealed against the discriminatory application of federal income tax whereby utility undertakings of Ontario are tax-free and Quebec companies compelled to pay. All taxation is reflected in rates for service and the promise of this company was that, if relieved of this unjust burden, the relief would be applied to a reduction in rates for the benefit of our customers. We feel it is relevant to recall that, notwithstanding taxes, Montreal's average rate for electricity is lower than that prevailing in the city of Toronto which is the comparable city."

B.C. Power Gets Extension For Campbell River Survey

From Our Own Correspondent

VANCOUVER.—B. C. Power Corp. has been granted a four months extension on the time originally allowed by the provincial government for making a survey of the Campbell River water power project.

While the company has undertaken an extensive investigation into the power project it is not yet in a position to give the Government definite plans, as required in the agreement with the provincial water board. The company hopes to be able to finish its plans within four months.

Present conditions do not warrant immediate building of the proposed power plant, according to B. C. Power Corp. officials, but it is proposed eventually to establish at Campbell River the largest hydro project on Vancouver Island to serve points as far south as Victoria, more than 200 miles away.

When the proposition was first under discussion it was stated that a 1,000 horsepower plant was contemplated.

Belding-Corticelli Make Changes in Executive List

From Our Own Correspondent

MONTREAL.—A. O. Dawson, president of Belding-Corticelli announces the appointment of W. P. MacDougall, as general manager, succeeding the late C. A. Reynolds. The new general manager has been actively connected with the firm for many years, having served in turn as manager of the Toronto branch, general sales manager, later to become secretary and assistant general manager.

Announcement is also made that D. F. Pollock takes the position of secretary. Mr. Pollock was for a number of years manager of the company's statistical department.

The new list of officers is now as follows: A. O. Dawson, president; Wm. Hanson, vice-president; W. P. MacDougall, general manager; J. P. Kennedy, treasurer; D. F. Pollock, secretary.

SHARE EARNINGS NOVA SCOTIA LIGHT MOVE UP IN YEAR

Common Earned $6.12 as Against $5.74 for Preceding Year

From Our Own Correspondent

MONTREAL—A general improvement is noted in earnings and financial position of Nova Scotia Light and Power Co., as a result of operations in the twelve months ended December 30, 1930.

According to the annual report, both gross and net earnings show an increase by comparison with the previous year, despite a voluntary rate reduction put into effect by the company in its light and power department at the beginning of the year.

Gross income from all sources, after providing for operating expenses and all taxes, amounted to $612,987, against $596,463 in the preceding year. Interest, depreciation and preferred dividends brought the net income for the year down to $211,560, compared with $198,029 in 1929. This is equivalent to $6.12 a share on the common stock before bond discount, up from 5.74 on the same number of shares in the preceding year.

Large Surplus Forward

Comparison of the profit and loss account for the past two years follows:

	1930 $	1929 $	1928 $
Gross	1,879,522	1,819,323	1,642,385
*Expenses	1,299,372	1,255,408	1,112,186
Net op. inc.	508,150	563,915	630,199
Misc. inc	32,837	32,548	20,642
Gross inc.	612,987	596,463	550,841
Bond int.	183,259	175,000	190,530
Other int.	36,760	3,434	8,238
Deprec.	135,000	175,000	175,000
	257,968	243,029	182,073
Pfd. div.	46,408	45,000	22,600
Com. div.	138,092	34,523	......
Balance	73,468	163,506	159,573
Prev. surp.	167,104	3,598	x174,476
	240,572	167,104	14,903
Refund, etc.	51,720	......	18,501
	292,292	167,104	3,598
Bond disc.	6,552	......	......
P. and L.	285,740	167,104	3,598

* Including federal, provincial and municipal taxes.
x Debit.

There was a substantial increase in the assets of the company during 1930, the total at the end of the year being $8,627,634, against $7,105,805 at the end of 1929. Examination of the balance sheet shows an increase in cash from $48,019 to $89,613. Investments fell away from $176,317 to $23,131. Accounts receivable, less reserve, advanced from $144,835 to $174,297. Materials and supplies on hand show an increase of about $20,000 to $148,828.

Advances to and stock in subsidiary companies showed a substantial gain, amounting to $1,264,445, compared to $137,290 a year ago. This increase is accounted for by the fact that during the year, Nova Scotia Light & Power absorbed the Avon River Power Co., the principal power producer and distributor in the Annapolis Valley.

Further outlay on capital account is seen in the increase in the property and plant account values from $6,477,538 to $6,794,184.

A new item in the balance sheet this year is bond discount which is set down as $109,042. Deferred charges amount to the nominal figure of $3,916.

Further Capital Charges

Several changes are noted among liabilities of the company. Additional financing was carried out during the year, to take care of absorption of the Avon River Power Co., as a result of which the funded debt increased from $3,500,000 to $4,310,000. The amount of preference stock outstanding has been increased $500,000 to $1,250,000. A bank loan of $80,000, shown in the 1929 balance sheet, has been wiped out.

Among current liabilities, accounts payable are carried at $175,931, up from $138,904. Customers' deposits have increased about $4,000 to $44,493, while accrued interest and taxes is shown at $50,593, or roughly, $9,000 less than in the preceding report. Dividends payable are carried at $34,523.

The retirement reserve has advanced from $674,638 to $754,048. Operating reserves show an increase from $26,243 to $60,126, while the surplus now stands at $285,740, against $167,104 at the end of 1929.

The directors' report to shareholders reads in part:

"The use of electric energy in Halifax continues to increase, accelerated by the voluntary rate reduction made effective on January 1, 1930, the increase in sales of current over the previous year amounting to 18.3 per cent. The rate reduction was such that, if 1930 consumption had been sold at the 1929 average cost, then the 11,362 electric customers would have paid $175,000 more for current than was actually charged. Increased sales recovered most of this apparent 'loss' however, and Halifax today is making free use of electricity at the low average rate of 3.2c per kw.h. delivered.

"Expenses (in the light and power department) were 11% higher than the previous year, largely on account of the increased cost of power. The year 1930 was an exceptionally dry one.

Gas Sales Higher

"Persistent effort has succeeded in increasing gas sales 23% over the previous year. The fare structure is of the modern promotional type, reducing costs as use increases, and the average rate charged the 3,223 customers during 1930 was 6.2% less than during 1929. Considerable success has been attained in securing commercial gas loads, including house heating, there being 40 such installations now in Halifax.

Canada Northern Power Output Records Increase

From Our Own Correspondent

MONTREAL. — Canada Northern Power reports the generation of 33,312,350 kw.h. of electrical energy in January last, as compared with 30,605,490 kw.h. in the same month last year.

For the twelve months ended January 31, 1931, the company's power plant produced 369,837,640 kw.h. This compares with 348,433,857 kw.h. in the preceding twelve months' period.

Public Utility Earnings

Jamaica Public Service and Subsidiary Companies

	1931 $	1930 $
February:		
Gross earnings	76,290	67,659
Net earnings	34,277	24,770
Surp. after charges	24,875	18,747
12 Months end. Feb. 28:		
Gross earnings	847,745	778,711
Net earnings	353,824	319,838
Surp. after charges	251,243	243,887

CANADA UTILITIES PURCHASES PLANT IN PRINCE ALBERT

Part of Agreement Provides for Outlay of $200,000

From Our Own Correspondent

MONTREAL.—Canadian Utilities Ltd., now part of the Dominion Gas & Electric System, has purchased for $875,000 the Prince Albert municipal electric light and power plant and distribution system.

Following upon this action, Canadian Utilities announced that it would proceed immediately with the expenditure of $200,000 in improving the Prince Albert plant and distribution system, as provided in the agreement with the city. Further, the company will make a grant of $1,000 a year for five years to the Board of Trade to assist in bringing industries to Prince Albert.

Cover Wide Field

Canadian Utilities has entered other towns in Northern Saskatchewan, notably in holdings east of Prince Albert in the towns of Birchhills, Kinistino, Melfort and Star City. The company has plants in various other parts of Saskatchewan, owning and operating 15 plants and 350 miles of transmission lines. The plants are located at widely scattered points, including Lloydminster at the west boundary of the province and Yorkton near the east boundary, but the transmission lines operated by the company principally serve an area of central Saskatchewan around Watrous and a territory southeast of Indian Head to the east boundary of the province.

In acquiring the Prince Albert plant and distribution system, Canadian Utilities takes over a service to approximately 2,300 consumers.

The offer for the system was made last year and voted on by the ratepayers in January, the deal being finally ratified by the provincial legislature. The transfer from the city was effected on April 1 last.

Enamel and Heating Defer Common Dividend

From Our Own Correspondent

MONTREAL.—Enamel and Heating Products Ltd., have decided to defer current dividend on the common stock, of which there are 29,500 shares of no par value outstanding.

Dividends were initiated on this stock on August 1, 1928, at the rate of $2 per annum. On the same date in 1930, the dividend was cut to $1 a share.

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"We Know How"

The Dominion Securities Corporation
Limited
announce the removal
of their offices
to
15 King Street West
New Telephone Number Waverley 3681
April 11, 1931. Toronto, Canada.

APPRAISALS REPORTS INVESTIGATIONS
Industrials — Public Utilities — Natural Resources

OPINIONS

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But you can get an authoritative statement of its worth only from an organization capable of appraising it impartially and provably.

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CANADIAN APPRAISAL COMPANY
LIMITED
MONTREAL TORONTO WINNIPEG
8

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They should be exchanged now for other bonds of similar security but longer maturity.

Write us to-day what bonds you hold and we shall be glad to suggest advantageous exchanges.

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Brandon Would Issue Bonds

The city of Brandon has sought power to issue $200,000 of long term debentures to meet part of the city's overdraft which amounts to some $385,000. Permission to issue the bonds has been asked on the municipal affairs committee of the Manitoba legislature.

Milton Brick Redeems Bonds

Milton Brick Ltd. has retired $65,000 of 6½ per cent first mortgage sinking fund bonds of which $320,420 were originally issued in 1925. The company now has $255,400 of the bonds outstanding. The company purchased $10,500 by tender early in 1931 and retired another $4,500 by call on April 1, 1931. The latter bonds were redeemed at 101.

News of Investment Markets

NEWFOUNDLAND LIGHT AND POWER SELLS MORTGAGES

Proceeds of Bond Issue Will Cover New Plant

From Our Own Correspondent

MONTREAL. — Newfoundland Light & Power Co. is carrying out additional financing through Royal Securities Corp., in the form of $800,000 of first mortgage bonds. These bonds are being issued to fund part of the cost of a new 5,000 h.p. hydro-electric development and other additions which have been made to the company's property.

Newfoundland Light & Power, forming part of the International Power system, operates largely in St. John's. Sale of power has been largely increased through delivery as from January, 1931, of power for operation of the Bell Island iron mines, under contract calling for delivery of increasing amounts up to 4,700 h.p. of primary power and such surplus as the company may have available.

The company's total hydro-electric development, including the 5,000 h.p. now under construction, is 12,000 h.p.

$800,000
NEWFOUNDLAND LIGHT & POWER CO. 1ST MORTGAGE SINKING FUND BONDS
5½ PER CENT SERIES, DUE 1971

Dated Jan. 1, 1931; due Jan. 1, 1971.

Company: Owns and operates the electric lighting, power and tramway services of St. John's, Newfoundland. At the end of 1930 the company had 7,126 light and power customers, compared with 6,784 at the end of the preceding year.

Security: These bonds rank equally with the previously-issued first mortgage bonds.

Sinking Fund: An annual sinking fund of 1 per cent of bonds issued, commences October 1, 1931.

Earnings: Net earnings after deduction of operating expenses, income tax and maintenance charges, available for interest and depreciation, amounted to $300,911 in 1930, compared with interest requirements of $131,458.

Offered: By Royal Securities Corp. at 95¼ and accrued interest, to yield over 5.80 per cent.

Bond Sales

QUEBEC, QUE.

Wood, Gundy & Co., Nesbitt, Thomson & Co., and the Royal Bank have been awarded $1,457,000 4½ per cent debentures of the city of Quebec dated May 1, 1931, and due May 1, 1961, at 99.569; cost basis, 4.53 per cent. Bonds are payable in Canada only. Alternate bids were asked on bonds payable in Canada and in Canada and New York. Bids received were as follows:

	Can.	Can. & N.Y.
1 Wood, Gundy & Co., Nesbitt, Thomson & Co., Royal Bk.	99.569	99.672
2 Royal Securities Corp., Halsey, Stuart & Co., Guardian Trust Co., Detroit	....	99.625
3 Guaranty Trust Co., N.Y., National City Co., Harris, Forbes & Co.	99.08	99.539
4 Dominion Securities Corp., Bank of Montreal, A. E. Ames & Co., Banque Canadienne Nationale	99.08	99.438
5 Bank of Nova Scotia, R. A. Daly & Co., Hanson Bros., Bancamerica-Blair, Kountze Bros.	....	99.309
6 McLeod, Young, Weir & Co., Fry, Mills, Spence & Co., Bell, Gouinlock & Co., Canadian Bank of Commerce	....	99.29
7 Hannaford, Birks & Co., Greenshields & Co., Mead & Co., Societe de Placements du Canada	....	98.28
8 Gairdner & Co., Iselin & Co., Dominion Bank	....	99.17
9 C. H. Burgess & Co., J. L. Graham & Co., Dyment, Anderson & Co., Drury & Co.	....	98.91

TOWNSHIP OF ETOBICOKE

Dominion Securities Corp. has been awarded $262,787 5 per cent installment debentures of the township of Etobicoke at 101.968; cost basis 4.78 per cent. The sale includes $84,510 maturing in 30 installments; $132,822 maturing in 20 installments; $33,885 in 10 installments and $11,570 in 5 installments. Bids for the issue were as follows:

1 Dominion Securities Corp.	101.968
2 Fry, Mills, Spence & Co.	101.173
3 Gairdner & Co.	101.072
4 Wood, Gundy & Co.	101.07
5 C. H. Burgess & Co., J. L. Graham & Co.	100.53

VANCOUVER

A syndicate composed of Wood, Gundy & Co., Chase Securities Corp., Royal Bank and Pemberton & Son, Vancouver, Ltd. has been awarded $3,667,733 5 per cent debentures of the city of Vancouver at 104.70; cost basis 4.70 per cent. The sinking fund bonds have maturities from November 3, 1940, to January 15, 1970, there being $2,800,000 in the latter block. The average maturity of the offering was 33 years. Bids were as follows:

	Can. & N.Y.	Canada Only
1 Wood, Gundy & Co., Chase Securities Corp., Royal Bank, Pemberton & Son, Vancouver, Ltd.	104.70	104.30
2 Canadian Bank of Commerce, McLeod, Young, Weir & Co., Bell, Gouinlock & Co., Fry, Mills, Spence & Co., Victor W. Odlum, Brown & Co.	104.079	103.629
3 Gairdner & Co., Iselin & Co., Nesbitt, Thomson & Co., Dyment, Anderson & Co., C. H. Burgess & Co.	104.052	....
4 Dominion Securities Corp., Dillon, Read & Co., A. E. Ames & Co., Bank of Montreal	103.598	....
5 Matthews & Co., Bank of Nova Scotia, Hanson Bros., R. A. Daly & Co., Pressprich & Co., Kountze Bros.	102.617	....

CITY OF WELLAND

Hodgson Bros. & Dunton has been awarded $197,000 5 per cent debentures of the city of Welland, Ont. at 102.083; cost basis 4.76 per cent. Of the total, $191,000 matures in 20 installments and $6,000 in 10 installments. Bids were as follows:

1 Hodgson Bros. & Dunton	102.083
2 Fry, Mills, Spence & Co.	101.88
3 Wood, Gundy & Co.	101.673
4 Dominion Securities Corp., Imperial Bank	101.579
5 Dyment, Anderson & Co.	101.514
6 Gairdner & Co.	101.474
7 J. L. Goad & Co.	101.464
8 Griffis, Fairclough & Norsworthy	101.46
9 Dominion Bank	101.43
10 C. H. Burgess & Co.	101.38
11 Bell, Gouinlock & Co.	101.24
12 McLeod, Young, Weir & Co.	101.187
13 Canadian Bank of Commerce, J. L. Graham & Co.	101.176
14 R. A. Daly & Co.	100.589

TOWN OF GODERICH, ONT.

Cochrane & Co. has been awarded $43,982 5 per cent 20-installment debentures of Goderich, Ont. at 102.28; cost basis 4.75 per cent. Bids for the issue which is dated June 1, 1931, were as follows:

1 Cochrane & Co.	102.28
2 J. L. Goad & Co.	101.91
3 R. A. Daly & Co.	101.411
4 Dyment, Anderson & Co.	101.398
5 Wood, Gundy & Co.	101.20
6 McLeod, Young, Weir & Co.	101.188
7 A. E. Ames & Co.	101.14
8 J. L. Graham & Co.	100.73
9 Griffis, Fairclough & Norsworthy	100.65
10 Matthews & Co.	100.43
11 C. H. Burgess & Co.	100.36

NEW TORONTO

Wood, Gundy & Co. has been awarded $185,761 5 per cent installment debentures of the town of New Toronto, Ont. at 100.47; cost basis 4.94 per cent. The bonds mature as follows: $14,975 in 10 installments, $78,686 in 15 installments and $92,100 in 20 installments. Bids were as follows:

1 Wood, Gundy & Co.	100.47
2 C. H. Burgess & Co., Canadian Bank of Commerce	100.301
3 McLeod, Young, Weir & Co.	100.08
4 Harris, McKeen & Co.	99.30
1 Bank of Nova Scotia, McLeod, Young Weir & Co., Fry, Mills, Spence & Co., Bell, Gouinlock & Co., J. M. Robinson & Co., T. M. Bell & Co.	99.438
2 Dominion Securities Corp., Wood, Gundy & Co., A. E. Ames & Co., Royal Bank, Eastern Securities Co.	99.281
3 Bancamerica Blair Corp., Royal Securities Corp., Kountze Bros. & Co., R. A. Daly & Co., E. H. Rollins & Sons, Canadian Bank of Commerce	99.2099
4 Dominion Bank, Nesbitt, Thomson & Co., A. Iselin & Co., C. H. Burgess & Co., Dyment, Anderson & Co., Gairdner & Co.	99.17
5 National City Co.	99.079
6 First National Bank of New York, Bank of Montreal, First National Old Colony Corp., Stone Webster & Blodgett, Salomon Bros. & Hutzler, Hanson Bros.	98.808

Montreal R. C. School Commission

Wood, Gundy & Co., Greenshields & Co., Royal Bank, Societe de Placements du Canada and A. Iselin & Co. have been awarded $2,500,000, 4½ per cent sinking fund bonds of the Montreal Roman Catholic School Commission, due May 1, 1971, on a bid of 98.867; cost basis 4.57 per cent, for bonds payable in Canada only. Bonds are being offered publicly at par. Alternate tenders were called for bonds payable in Canada and New York or Canada only. Bids were as follows:

1 Wood, Gundy & Co., Greenshields & Co., Royal Bank, Societe de Placements du Canada, A. Iselin & Co.	99.117	98.867
2 Fry, Mills, Spence & Co., Bell, Gouinlock & Co., Canadian Bank of Commerce	98.921	98.621
3 Nesbitt, Thomson & Co., Gairdner & Co., R. A. Daly & Co., Matthews & Co., Bank of Nova Scotia	99.071	98.381
4 Dominion Securities Corp., A. E. Ames & Co., Banque Canadienne Nationale, Geoffrion & Co.	98.61	98.26
5 McLeod, Young, Weir & Co., Bank of Montreal, National City Co.	98.38	97.78

FORT WILLIAM, ONT.

R. A. Daly & Co. has been awarded $171,431, 4½ per cent, 15, 20 and 25 installment debentures of Fort William, Ont., at 97.046. Alternate tenders were asked on the entire block of bonds, or on $31,000, 20-installment bonds, guaranteed, for hospital and $52,248, 15-installment, $43,163, 20-installment and $45,019, 25-installment debentures. Bids were as follows:

	Entire Block	Hosp. Bonds	City Bonds
R. A. Daly & Co.	97.046	....	....
J. L. Goad & Co., Bank of Commerce	96.88	....	....
Bell, Gouinlock & Co.	96.02	....	....
A. E. Ames & Co.	95.777	....	....
Wood, Gundy & Co.		94.20	95.55
Dyment, Anderson & Co.		93.72	95.548
C. H. Burgess & Co., J. L. Graham & Co.		94.04	95.187
Fry, Mills, Spence & Co.	94.571		....
McLeod, Young, Weir & Co.		92.13	93.12
Gairdner & Co.		93.687	94.937

SHERBROOKE, QUE.

Banque Canadienne Nationale with Ernest Savard Ltee., and Credit Anglo-Francais Ltee, has been awarded $490,000, 4½ per cent 30-year serial debentures of Sherbrooke, Que. at 98.68; cost basis 4.67 per cent. The issue has an average maturity of 9½ years. Bids were as follows:

1. Banque Canadienne Nationale, E. Savard Ltée., Crédit Anglo-Français Ltée.	98.68
2. Dyment, Anderson & Co., Matthews & Company	98.433
3. Bank of Montreal, A. E. Ames & Co.	98.282
4. Wood, Gundy & Co., Hannaford Birks & Co.	98.217
5. Hanson Bros., Mead & Co.	98.047
6. Dominion Securities Corp., Royal Bank	98.02
7. Hodgson Bros. & Dunton, Johnston & Ward	97.096
8. Fry, Mills, Spence & Co.	97.891
9. Canadian Bank of Commerce, Bell, Gouinlock & Co.	97.87
10. Gairdner & Co., C. H. Burgess & Co.	97.60
11. McLeod, Young, Weir & Co.	96.31

National Steel Corp. Bonds Offered in Canada

From Our Own Correspondent

MONTREAL.—An American syndicate headed by the National City Co. is offering at 99 and interest $40,000,000 of first (collateral) mortgage gold bonds, 5 per cent series due 1956, of the National Steel Corp.

This company owns the entire outstanding capital stock of Weirton Steel Co., the Hanna Furnace Corp., Great Lakes Steel Corp., Michigan Steel Corp., and the Hanna Iron Ore Co. of Delaware, among others. The combined properties of the constituent companies constitute a completely integrated unit for the production of iron and steel.

$40,000,000
NATIONAL STEEL CORP.
FIRST COLLATERAL MTGE. S. F. GOLD BONDS
5 PER CENT SERIES, DUE 1956

Dated April 1, 1931; due April 1, 1956.

Company: Holding organization for various iron and steel properties, with principal plants located in the Pittsburg and Detroit districts. Combined annual capacity of properties comprises approximately 1,650,000 tons of pig iron, 2,000,000 tons of steel ingots, and 2,200,000 tons of diversified finished products.

Purpose of Issue: Proceeds will be applied chiefly to the retirement of the funded indebtedness of the company and its subsidiaries, except $3,150,000 first mortgage indebtedness of Weirton Coal Co., and to the discharge of current obligations. The balance will be used as additional working capital.

Security: Secured by pledge of Demand Mortgage Bonds in an aggregate amount of $82,000,000 of certain other constituent companies; also the entire ownership of the corporation and the capital stock of the constituent companies.

Sinking Fund: Commencing not later than October 1, 1932 will require the retirement of bonds of the 5 per cent series, due 1956, at an annual rate of 2½ per cent of the amount of the bonds issued.

Earnings: Net earnings after depreciation and depletion, before interest and income tax, have averaged around five times interest requirements in past 5 years.

Junior Equity: Capital stock of the corporation is listed on the New York Stock Exchange and at current quotation has an aggregate indicated market value in excess of $100,000.

Offered: The National City Co., Bankers Co. of New York, Continental Illinois Co., Lee, Higginson and Co., Guardian Detroit Co., The Union Trust Co. of Pittsburg, Union Cleveland Corp., White, Weld and Co., at 99 and interest.

Bond Redemptions

Bond Issues—	Rate	Due	Redeem.	Price
B.C. Telephone	4½%	1962	†Nov. 1	105
Brazeau Collieries	7%	1935	*July 1	105
Cascade Water Power	4½%	33-yr. 1932	†May 1	500
Buffalo & Ft. Erie Pub. Bridge	*7%	1955	June 1	107
Wabasso Cotton	*6%	1947	June 1	105
West Kootenay Pr.	6%	1940	Sept. 1	110
Do.	6%	1943	June 15	104
Wahnapitae Pwr.	6½%	20-yr.	May 1	105
Ogilvy Realty	6½%	1962	June 1	105
Imperial Realty	*6%	1945	July 1	103
Foreign Issues—				
Mtg. Bk. of Chile	*6%	1961	Apr. 30	100
Do.	*6%	1962	May 1	100

*Called in part.
†Or before.

SCOPE WIDER, CHANGE NAME OF DE FOREST

Holding Company to Be Known as Consolidated Industries

De Forest Crosley Radio Corp., subject to the approval of shareholders at the annual meeting in May, will change its name to Consolidated Industries, according to an announcement made by Major James E. Hahn, president.

Consolidated Industries will be the holding company for De Forest Radio Corp., manufacturers of radio receiving sets and accessories, and its sales company, De Forest Crosley; for Norge Corp. of Canada, manufacturers of electrical refrigerators; for Hammond Co. of Canada, manufacturers of synchronous electric clocks; for Universal Acceptance Corp., a public finance company organized to handle retail contracts taken by dealers for consumer purchases, and for two newly-formed companies, Consolidated Industries Products, to sell the products of the Norge Corp. and Consolidated Industries Export, through which company it is proposed to market the products of the other constituent companies in foreign countries.

When the change has been ratified by shareholders, the directors express the intention of having the stock of the new company listed on the Montreal Exchange in addition to the Toronto curb. The word, "Consolidated," will be used as a general trademark for all products of the constituent companies.

Bond Tenders

April 15, Shawinigan Falls—$200,000, 5 per cent, 40-year serial bonds; $70,000, 5 per cent 40-year serial bonds, and $37,500, 5 per cent 20-year serial bonds. A. Meunier, sec.-treas.

12 o'clock, April 15, Toronto—$10,084,000, 4½ per cent serial debentures, dated April 1, 1931, for various purposes. Wm. J. Stewart, mayor.

April 21, City of Westmount — $300,000, 4½ per cent 40-year serial bonds. Principal and interest payable in gold at Bank of Montreal, Montreal, or any branch of the bank in Canada. Loan to provide for cost of construction of roads, sewers, sidewalks, etc.

11 a.m., April 16, Saskatchewan—Approximately $2,500,000 payable Canada and New York. Alternate bids are asked on 4 per cent bonds maturing in five years, or 4½ per cent bonds maturing in 10, 15, 20 or 25 years. Provincial Treasurer.

3 o'clock, April 21, Saint John—$491,000, 4½ per cent debentures as follows: $34,500, due April 15, 1941; $72,500 due 1946; $7,000 due 1951; $52,000 due 1961; $325,000 due 1971. Also $164,000 4½ per cent dated Dec. 1, 1930, due Dec. 1, 1960. Principal and half-yearly interest payable in gold at the main offices of the Bank of Nova Scotia, Toronto, Montreal, New York, and Saint John, N.B. H. E. Wardroper, clerk.

5 p.m., April 20, St. Catharines—$137,006, 5 per cent debentures as follows: $102,006, local improvement 1-10 year installment; $35,000 hydro-electric 1-20 year serial. Dated April 20, 1931. S. K. Watt, treas. (See announcement on page 8).

5 p.m., May 1, Longueuil—$300,000 5 per cent 10-year serial debentures. J. Arthur L'Heureux, sec.-treas.

April 20, City of St. Lambert, Que.—$414,- 5 per cent, serial bonds.

April 27, Town of Nicolet, Que.—$44,000, 5 per cent, serial bonds.

May 4, Town of Rimouski—$30,000, 5 per cent, 20 year and $25,000, 5 per cent, 10 year serial bonds.

Metal Prices

New York—April 14—
Copper: Electrolytic spot, 10c. lb.
London—April 14—
(Long ton)—
Copper: Electrolytic spot, £46; future, £47.
Standard spot, £43 7s 6d; future, £44 2s 6d.
Tin: Spot, £115 12s 6d; future, £117.
Lead: Spot, £12 15s; future, £13.
Zinc: Spot, £11 12s 6d; future; £12 2s 6d.
Silver: 13-1/16d. per ounce.

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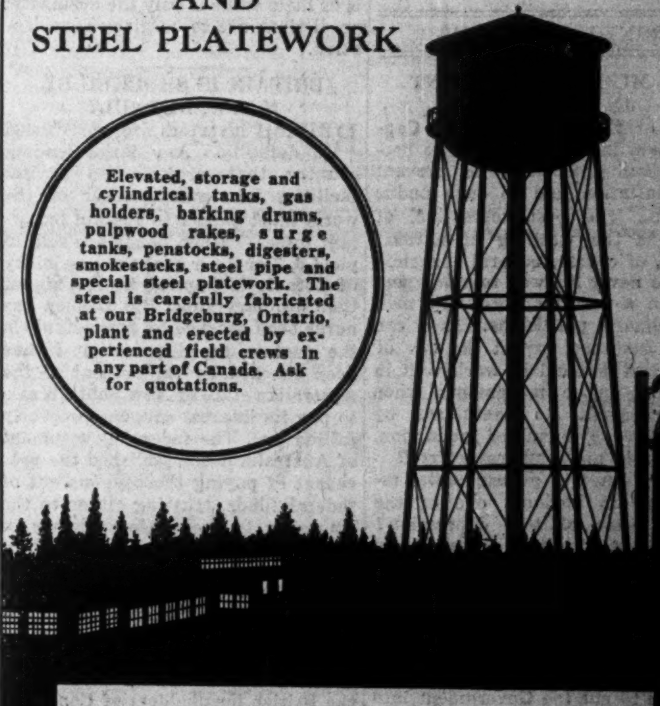

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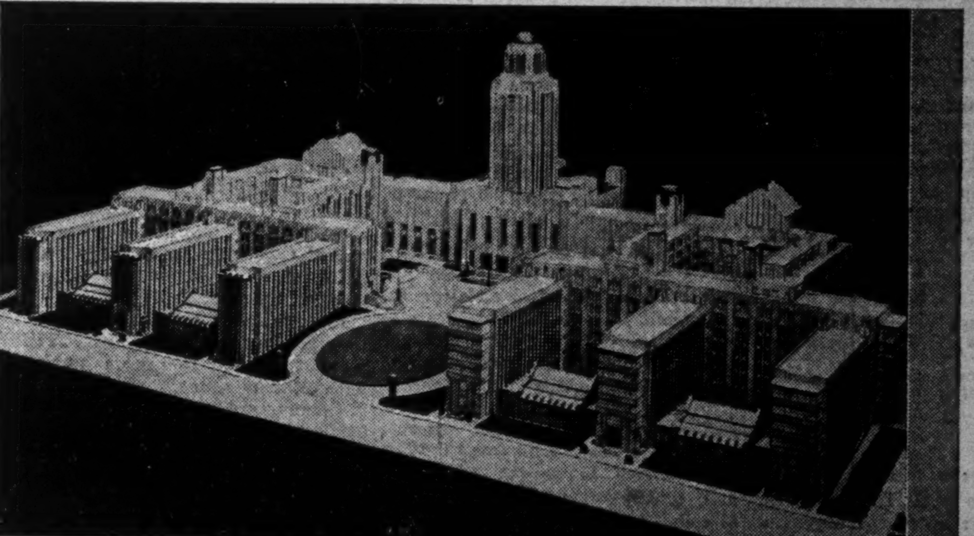

DUNHAM DIFFERENTIAL HEATING

University of Montreal
Under Construction
Architect and Engineer: Ernest Cormier, F.R.I.B.A.
General Contractor: Damien Boileau, Ltd.
Heating Contractor: John Colford, Ltd.
Frontage: 950 ft.
Depth: 630 ft.
Cubage: 14,000,000 cu.ft.
This magnificent edifice is divided into 12 heating zones. There are actually 12 complete and separate Dunham Differential Heating Systems installed to assure utmost accuracy of temperature control in different sections and lowest possible operating costs. There are 41 miles of piping in the heating installation alone, 12 Differential Vacuum Pumps and 2774 radiators.

Fuel costs in many commercial buildings exceed total net operating profits. Fuel economy corrects this condition, and is directly reflected in greater net profits.

Dunham Differential Heating provides controlled, mild warmth during Fall, Winter and Spring—a boon to tenants—at a fuel cost conservatively 25% less than that entailed by ordinary 'hot' steam heating.

By ending OVERHEATING and consequent fuel waste, this system is establishing economy records in office, apartment, institutional, hotel and public buildings of all sizes—from the smallest to the most pretentious and imposing.

Substantial fuel savings are made in existing buildings "changed over" to Dunham Differential Heating just as in new buildings. Many wasteful installations can be "changed over." If fuel costs are high in your building, we will gladly make a survey and recommendation.

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1170

Summary of Week's Annual Reports

A brief analysis of common stock earnings per annual statements received since last week's issue. Earnings per share are shown in brackets when they are before depreciation or income tax, or both, as indicated against "net income." The market price is the close on Tuesday this week, or last sale. Company name in bold type indicates listed stocks. The net income shown, is before preferred dividend, if any.

Company	Year end.	Net income 1930	Net income 1929	Common share earnings 1930	Common share earnings 1929	Curr. divd.	Surplus after dividends 1930	Surplus after dividends 1929	Mkt.	Mkt. times earn.	Yield
Brandram-Henderson	Dec. 31	d25,074	132,003	...	8.22	2.00	d83,672	91,104	...	...	...
B. C. Telephone	Dec. 31	738,680	a595,264	9.08	a7.73	8.00	48,680	a77,764	...	...	...
Canada Machinery	Jan. 31	23,646	82,702	...	(2.34)	...	c4,065	b64,597	...	...	...
Can. Consol. Felt	Dec. 31	23,875	51,707	...	...	...	d1,125	1,707	...	...	...
Can. Westinghouse	Dec. 31	2,873,536	3,346,181	5.32	6.20	2+1	1,253,536	1,906,181	...	...	...
Dufferin Paving	Dec. 31	230,169	388,593	.36	2.97	...	21,346	210,613	7½	21	...
Durant Motors	Dec. 31	d150,344	c366,129	...	1.28	.40	d264,313	c366,129	8	...	5.00
Edmonton City Dairy	Dec. 31	e79,630	87,265	.79	1.86	...	23,783	55,834	15	19	...
Enamel & Heating	Dec. 31	31,527	112,210	1.07	3.87	...	d12,723	25,210	8	7½	...
Ford Motors	Dec. 31	3,157,877	5,232,819	1.90	3.15	f1.20	d325,939	5,232,819	25⅛	13¼	4.78
Hayes Wheels	Dec. 31	d193,694	250,846	...	3.09	...	d256,697	100,176	10	...	...
Inter-City West. Bakeries	Jan. 31	d54,334	......	...	...	...	d54,334	...	...	...	...
Mercury Mills	Dec. 31	d204,839	126,872	...	1.44	...	d266,891	65,011	...	...	...
National Breweries	Dec. 31	1,930,310	1,876,592	2.40	2.33	1.60	581,865	960,970	33½	14	4.77
Nova Scotia Lt. & Pr.	Dec. 31	251,416	243,029	5.95	5.74	4.00	66,916	163,506	...	...	...
Service Stations (A & B)	Dec. 31	1,070,127	1,337,394	3.60	4.85	g1.60	280,629	741,950	20	5½	8.00
Winnipeg Electric	Dec. 31	h572,808	h969,495	h.92	h2.70	...	d17,081	115,308	20	21¾	...

a—Nine months period. b—After bond int., and (1930) income tax; (no divds. paid on either class since 1921). c—After tax reserve $35,250. d—Loss or deficit. e—After bad debt reserve. f—Bonus of 30 cents also paid, June 1930. g—As announced in annual report formerly $2.60. h—Before sinking fund ($74,760 in 1929) treated by company as an appropriation after dividends.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Goderich	Apr. 9	Cochran, Hay & Co.	5%	20-yr.	$43,982	102.28	4.75%
Sherbrooke	Apr.	Bk. Nationale, Ernest Savard, and Credit Anglo-Francais	4½%	1931-61	490,000	98.68	4.67
Quebec City	Apr. 10	Wood, Gundy & Co., Nesbitt, Thomson & Co., Royal Bank	4½%	30-yr.	1,457,000	99,569	4.53
Welland	Apr. 8	Hodgson Bros. & Dunton	5% 5%	20-ins. 10-ins.	191,000 6,000	102,083	4.76
Vancouver	Apr. 9	Wood, Gundy & Co., Chase Securities, Royal Bank, Pemberton & Son	5% 5% 5% 5% 5% 5% 5%	1940 1941 1945 1946 1950 1951 1970	154,637 9,785 306,487 859,451 34,915 2,457 2,800,000	104.70	4.70%
Etobicoke, Tnp. of	Apr.	Dominion Securities Corp.	5% 5% 5% 5%	30 ins. 20 ins. 10 ins. 5 ins.	84,510 132,822 33,885 11,570	101,968	4.78%
Fort William, Ont.	Apr. 14	R. A. Daly & Co.	4½% 4½% 4½% 4½%	15-ins. 20-ins. 20-ins. 25-ins.	52,248 31,000 43,163 45,019	..... 97.046	....
New Toronto	Apr.	Wood, Gundy & Co.	5% 5% 5%	10 ins. 15 ins. 20 ins.	14,975 78,686 92,100	100.47	4.94%
Montreal R. C. School Comm.	Apr. 14	Wood, Gundy & Co., Greenshields & Co., Societe du Placement, Royal Bank, A. Iselin & Co.	4½%	1971	2,500,000	98.687	4.57%
Hydro-Electric Power Commission of Ont.	Apr. 14	MacLaren, Fletcher & Co. and Dominion Bank	5%	1946	400,000	.....	.....
Provincial—							
Alberta	Mar.	Wood, Gundy & Co., Dom. Securities, A. E. Ames & Co., Imperial Bank	4¼% 4¼%	3-yr. 4-yr.	2,000,000 1,943,000	100*	....
New Brunswick	Apr. 8	Bk. of Nova Scotia, McLeod, Young, Weir, Fry, Mills, Spence, Bell, Gouinlock, J. M. Robinson, T. M. Bell & Co.	4½%	30-yr.	$5,215,000	99,438	4.53

*Offering price.

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Offered	Yield
Nfld. Light & Power	Apr. 14	Royal Securities	5½%	1971	$800,000	95¼	5.80
National Steel Car	Apr. 8	National City Co., and U. S. Syndicate	5%	1956	40,000,000	99	...
Richmond, B.C., Dist. of	Apr.	Royal Financial Corp.	5%	1955	135,000	..	...

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Published by
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MONTREAL, Southam Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor. WINNIPEG, 810 Confederation Life Bldg. GREAT BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W. 1. E. J. Dodd, Director.
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TORONTO, APRIL 16, 1931

TOO MUCH GOVERNMENT IN BUSINESS

ONE of the larger jobs of Capitalism is to find a way to better control prosperity, to prevent undue inflation and to curb undue deflation. The best corrective, of course, is the working of natural law but, of course, natural economic laws are never allowed to work perfectly in a world of ordinary men and ordinary politicians. How can we, for instance, expect the law of supply and demand to work well in controlling price movements when we circumvent its usefulness by selling pools, by bonussed production, by boycotts and embargoes, etc?

Have we not in governmental interference in business one of the major causes of this depression? We have not permitted economic law to operate freely and without restraint to maintain equilibrium and stability? A speaker in Toronto recently blamed all the troubles of agriculture on individualism. This is a popular note at the moment. The pressure to put the Government into business and to give the politicians power to attempt the control of economic movements is very great. While it has gone to worse extremes in other countries, while Socialism has the upper hand in such countries as England, Russia, Germany, Australia, and even Italy—where Mussolini is nothing more nor less than a proletarian dictator—we cannot say that we in Canada have given individual initiative a full opportunity.

Consider the extent to which we have put the Government in business in this country. Here are some of the classes of business that have been assumed by one form or another of governmental agency in this country of supposed opportunity for the private individual:

Light and power	Amusement Parks
Gas supply	Sale of liquor
Meat packing	Hotels
Ferry boats	Telegraphs
Street cars	Farming
Electric Railways	Express
Steam Railways	Warehousing and storage
Savings Banks	Coal Mining
Mortgage lending	Restaurants
Radio broadcasting	Printing
Construction	Magazine publishing
Insurance	
Steamships	
Telephones	Market gardening
Grain Elevators	Land development

Socialists no doubt feel that Canada has made a good beginning. But they are not satisfied. They feel that private business still has too large a field for operation in Canada. And so most of the panaceas that are presented for the raising of the level of prosperity of individual Canadians relate to some further socialization of the country's economic activities.

Most of our troubles, where they have been keenly marked, have been due to the breakdown of theoretical experiments such as coffee stabilization in Brazil, socialistic control of national enterprises in Australia, quasi-political co-operative marketing of wheat in Canada, wasteful bonussing of unemployment as in Britain, the political assessment of revenge as in the case of reparations, governmental interference with the natural action of interest rates, as in the United States.

Where Capitalism has apparently broken down, it has been where we have attempted to borrow something from Socialism or Communism and graft it on to an essentially individualistic system.

We are in danger of being engulfed in a tidal wave of false democracy, a democracy that takes power out of the hands of thinking people, that puts the business leader in the corner and tells him that, as a greedy, selfish Capitalist, he should keep his mouth closed, and that puts into power the so-called progressive politician with all sorts of quack ideas for making people happy and contented.

This is not Capitalism, and, where the dominance of such retrogressive influences in our national life has sapped the strength of business, we cannot charge Capitalism with the fault.

The way back to complete prosperity is not along the road to Socialism. We have to get back on the highway of individualism if we are to avoid in the future a recurrence of our present troubles

DO BUSINESS MEN WANT THE TRUTH?

THE charge that business men are afraid of the truth is made by Alvan T. Simonds, president of the Simonds Steel and Saw Company, in an article in Nation's Business, Washington. Mr. Simonds relates how the editor of one of the leading United States business magazines, in February, 1929, turned down one of his articles simply because it forecast a cyclical downturn in business. He states, too, that economic forecasting services find that when they make pessimistic prophecies regarding the outlook for business they lose clients. Business men buy these services to study the outlook for business but they insist on getting optimistic forecasts or none at all.

The Financial Post knows that in Canada, too, there is a keener demand among business men for optimistic news than for pessimistic news. Various members of the staff of this journal, who have on different occasions addressed gatherings of business men, have found that it is almost inevitable that the chairman of the meeting will whisper to the speaker just before he gets up, "Give them something optimistic."

The specific charges made by Mr. Simonds are that business men want published only hopeful forecasts, no matter what the truth may be; that this refusal to face the facts greatly accentuates the business depression; and that there is a barometer which shows danger signals when slumps are coming.

Obviously, business forecasting is of little value if only the optimistic predictions are to be given consideration.

BRITAIN IS SHOCKED BY N. S. W. DEFAULT

BRITISH investors are accustomed to defaults. Any large lending country that projects its capital facilities into every corner of the world must expect to sustain important losses. When bonds are sold to yield 6, 7 or 8 per cent the possibility of default is implied in the higher than ordinary yield. But London has never been shocked by any default in the past to the degree that it has been shocked by the refusal of the Australian state of New South Wales to pay its interest coupons presently falling due. The federal government of Australia has established the precedent of paying the coupons out of federal funds, trusting either to the courts or to the sense of honor of New South Wales to repay the interest at some later date.

An interesting precedent has here been established, but one that is unlikely to be generally followed. Brazil will hardly follow suit by paying up defaults of its constituent states and the British bondholders of Confederate state bonds in default no doubt have publicity in mind more than immediate results when they suggest that the United States should pay overdue interest on these southern defaults.

In Canada, our own provinces are so jealous of their prorogatives that the federal government is probably safe from any demand for payment of provincial bond coupons although the Government, in the interest of Canadian credit, might, if occasion arose, make the payments and charge them against provincial subsidies.

The Australian incident must inevitably call attention to the fact that never in the history of Canada has any province been in default to any degree on its principal or interest payments.

LAWMAKING BUREAUCRATS MENACE TO BUSINESS

THE drafting of legislation to permit of exact interpretation is at best a very difficult problem. The difficulty is sometimes avoided by passing legislation of a general character and leaving it to civil servants to interpret and enforce. But such a practice is fraught with much danger. It tends to solidify the hold that the hand of bureaucracy already has on much of government.

A case in point arises in connection with the income tax. At the first session of Parliament in 1930 the then minister of national revenue, Hon. W. D. Euler, took steps to circumvent a certain type of income tax evasion. There are many individuals along the border who live in the United States but control companies in Canada. Formerly, these individuals drew a salary from the Canadian companies they served and this salary was taxable. But then the practice grew up of cancelling the salary agreements, while the directors or officials in question arranged to receive their remuneration from the Canadian companies entirely in the form of dividends which were not taxable when paid to persons outside of Canada. Mr. Euler introduced, and had passed, legislation providing that whenever an individual or a group of individuals serving as officers, directors or employees of a Canadian company, but residing outside of Canada, controlled a company in Canada they should be taxable on all dividends received from the company.

If this legislation were applied to everybody, who by any reasonable interpretation is covered by the section, then the basis of Dominion income tax would be greatly widened. For instance, if Henry Ford and his son, Edsel Ford, controlled 51 per cent of the voting stock of Ford Motor Company of Canada they would, under this section, be subject to income tax on all dividends received from that company, as they are directors. But that Ottawa has no intention of applying the legislation against individuals of this character is assured both by statements made in the House of Commons by the minister and by officials of the department. The Financial Post is officially informed that "this section was not drawn to expand the scope or net of taxable incomes or taxable persons; it was designed to prevent fraud and was intended to be used for such purpose only." The department of national revenue further states that "the section, like most sections, designed to prevent fraud, goes further by interpretation than the actual practice designed to be stopped calls for."

In other words, Parliament passes legislation that brings a large new group of individuals under the Canadian income tax and then trusts civil servants to invoke the law only against certain people, whom it was intended to affect, and to ignore it where it embraces people whom the legislation was not intended to affect. But what assurance is there that some future commissioner or minister in charge of income tax may not decide to make the law fully effective exactly as Parliament passed it? And how is a lawyer or business man, reading the statutes, to know what fine shades of meaning civil servants read into it?

Authority to apply the statutes of the country against whom and in what manner they see fit should never be vested in government bureaus, except by express statement in the statutes, such as where the Government is given power to proclaim certain regulations by order-in-council or where departmental officials are given authority to control a certain class of business. Even this tendency is developing to too great a degree in modern legislative practice but when it goes to the point of writing into the statutes a law that is not intended to be enforced exactly as it reads a dangerous practice has been invoked.

INDUSTRIAL RESEARCH IS TRADE INSURANCE

ONE of the largest investment trust organizations on the continent has established ten tests to which it submits all investments considered for its fund. These tests have been applied to one thousand or more leading investment securities of the continent, and their application has reduced the number of stocks considered for investment to approximately 50.

Among the ten tests is one that is of the utmost significance when it is considered that the investment trust in question is a fixed trust and that the securities selected by it are purchased for a 30-year hold. This test simply is that the corporation in question must have a well-established and progressive research department. It is felt that no corporation lacking in fundamental research activities can hope to maintain its strength and dominance over a term of years. On the other hand, the company that pays due attention to research will be able, in the ordinary course of events, it is thought, to meet new competition, new developments, obsolescence in its plant or products, and to stay in the van of successful companies.

The establishment of such a test for industrial securities by a leading financial organization indicates the important rôle that scientific research has come to play in modern industry. It shows that research is a factor in successful investment.

A CAPITALIST WORLD

WE LIVE—and every part of the world, with the exception of one country—lives under the règime of an industrial and productive system that we call Capitalism.

It is a word one almost hesitates to use. Newspaper cartoonists and allegedly democratic politicians have given Capitalism a terrifying significance. The bloated Capitalist is a bogeyman. To the man on the street, Capitalism is as frightening as Communism is to the business man or financier.

But we have to choose between Capitalism and Communism. That is our problem; to choose between a Capitalism that is imperfect and a Communism that is revolting to our established ideas.

We are all workers in a capitalist machinery. When we say, then, that the capitalistic system is on trial, we mean that the system of production, distribution and finance that governs our daily actions and is in turn governed and modified by our daily actions is on trial.

But besides being the prisoner at the bar, Capitalism is also the judge and the jury. The capitalist world is going through a determined process of self-analysis at the present time. The people who are most critical of the unhappy state of affairs in this capitalist world at the present time and who are most insistently searching the ruins of some of our recent hopes are the leaders of Capitalism.

The recent address of Daniel Willard, president of the Baltimore and Ohio Railroad, in which he made a frank attempt to analyse the defects of Capitalism that permit unemployment and imperfect distribution, is an example of a great individualist searching for faults in a system that gave him scope to rise to his present position.

The world depression has proved that Capitalism is faulty and the healthiest feature of the situation is the general willingness to admit that fact as a prelude to finding the remedies for the faults.

EDITORIAL NOTES

That the farmer has been the major sufferer in the present maladjustment of prices is undeniable. But in the three years 1927, 1928 and 1929, Canadian farmers were the beneficiaries of maladjustment of prices. It is the profits made in farming in those three years that are the bulwark against agricultural collapse today just as the war-time profits carried farmers through 1922-1924.

* * *

William Wrigley is taking southern cotton in payment for chewing gum following the precedent of his Canadian company which has been taking wheat. This makes the old advertising tag read "Pay as you chews."

POST-scripts

ONE incident in the recent mayoralty election in Chicago seems worthy of comment. Big Bill Thompson somehow extracted from the files of the Chicago Tribune—which bitterly opposed him—the standing obituary which it kept on file for use if he should happen to drop dead of apoplexy or be shot by a maniac—or even a sensible person. And in the obit. the mayor found more complimentary references to himself than he had ever found in the Tribune up to that time. Naturally he published the obit. in his election literature just to show what the Trib. really thought of him.

It is not given to many famous or notorious men to see their obits. before they die. Yet no man ever achieves fame or position without having his obit. written by various newspapers and placed in the files, where they are kept up to date continuously and where they can be found instantaneously when needed. In the case of very prominent persons the obit. is kept standing in type. The same procedure is followed in the case of persons who are reported as ill or who may be undertaking a dangerous journey such as a flight to the pole or a ride on a skyrocket to the moon.

If King George or the Prince of Wales were to die suddenly tomorrow we have no doubt that more than one of our leading metropolitan dailies would be able to produce a four or five page story of his life, profusely illustrated with photographs, within an hour of his death. All the necessary cuts and types would be standing ready.

New Books

Canada and the League of Nations

Canada's rise as a single nation within the British Commonwealth, and as a minor power with world affiliations and responsibilities is an interesting and even inspiring chapter of modern history. Her share in the Great War, the part she justly claimed in the signing of the Treaty of Versailles, and the ranks to which she was subsequently promoted to in that Parliament of the World—The League of Nations—are each progressive phases of that rise,—and each are clearly and readably narrated in a pamphlet just published by the League of Nations Society in Canada, at Ottawa, through the courtesy of the Sun Life Assurance Company of Canada. Written by Frederic H. Soward, Associate Professor of History, of the University of British Columbia, and with a foreword by Sir Robert Borden, Canada's Premier and representative at the time of the inception of the League, the pamphlet recounts the Dominion's appearance at the signing of the Peace Treaty, its ranking as an entity in the League of Nations' Assembly, and finally in the League's Council. Appendices that elaborate upon matters referred to in Professor Soward's account follow at the end. The Covenant of the League of Nations, extracts from a now historical memorandum from Sir Robert Borden on the subject of the much disputed Article X, and a truly surprising list of Canadians in the service or formerly in the service of the League, are given here.

"If Canada is to be a helpful member of the League in the second decade of its history," writes Professor Soward, "Canadian public opinion must be more conscious of the obligations which Canada has undertaken, and the problems which the League of Nations faces. Viscount Grey of Fallodon has told us that 'Public opinion is the lifeblood of the League of Nations.' Canadians would do well to reflect upon his statement."

The pamphlet in hand should do much work in this respect. It should inform those who are interested and provide useful and stimulating material for those in schools and universities who seek to learn of the part played by their country in the arena of world affairs.

It is published by the League of Nations Society in Canada, Ottawa.

Canadian Mining Manual, 1931

Canadian Mining Manual for 1931 has made its appearance. This is a technical volume for practical mining men, outlining the methods and practice of the mining industry in Canada. Statistical and other information is given on the mining resources and mining production of this country by areas, by provinces and by minerals, and a buyers' directory for mining equipment and supplies is an additional feature.

The edition is well illustrated with photographs of a number of leading Canadian mines, and with photographs of equipment in use.

Canadian Mining Manual does not attempt to cover Canadian mining from the investors' or traders' standpoint.

The volume is published by National Business Publications, Gardenvale, P.Q. It contains about 300 pages, large size, and is well bound in cloth.

In the Mail

Objects to Wage Cuts

Editor, The Financial Post:

Under the caption "Revision of Wages, Major Problem for 1931 Executives" in your issue of March 19, 1931. Your paper most thoroughly exposed the principles, and greed of the class The Financial Post caters to.

However, there are two sides to every question, and having read your presentation on behalf of the money mongers, I would request that you return the compliment and read what a worker thinks about the situation.

From the working class at this time comes a cry for justice

In January last, I read in the press an account of an address delivered in Philadelphia. The speaker stated "That during the first six months of 1930 taking industry generally, wages were 12 per cent less and dividends 28 per cent more, that for the corresponding period of 1929."

In Canada, 1930 was a year of depression for the workers. Thousands of workers throughout the country were without employment, thousands of others worked short time all because we were informed "we have no business and cannot continue to operate our factories, etc.," but we find, depression or no depression, that stockholders again got their share to the fill, by dividends and bonuses to the extent of $284,000,000 and $46,000,000 of that amount was an increase over 1929 dividend payments.

You speak of "real wages." It is admitted the decline of prices tends to augment the value of the dollar, and thus restore the balance between wage, and productive capacity; but if wages are to be reduced as you suggest in your paper, in proportion to price declines, one primary cause of the depression will be kept in operation.

Real wages are those that will support a family decently, allowing for the proverbial rainy day. But how many of the workers are receiving real wages?

Toronto. —W. J. MOORE.
Apr. 5, 1931.

Calvin Coolidge Says:

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ON APRIL 13 there assembled in New York City an international conference for the blind. Over 100 delegates, many of whom are blind, represent about 35 countries. The conference was called by President Hoover at the instance of the American Foundation for the Blind. There are about five million blind in the world of which about 114,000 are in the United States.

This movement, now so well organized and embracing almost all the world, is partly humanitarian and partly educational. It has transformed the blind person from ignorance, incapacity and misery into a productive unit of society. Those to whom the world would be forever closed are reclaimed. An almost barren existence becomes economically and intellectually fruitful. Closely allied are the highly successful efforts in the prevention of blindness. Scores of special schools now exist for educating these afflicted people and through the system of Braille printing, on which the Federal Government now expends $100,000 annually, more and more literature is available to them. All the problems are not solved but human brotherhood is making remarkable progress in this field of relief where concrete results are so certain and immediate.

* * *

NOW that the fields are growing green again the thoughts of many will be turned to the flowing streams. At heart we are all fishermen. Some of us never had a chance to practise the art. Some have known it only through the use of expensive rods and fancy tackle, on elaborate artificial preserves. But the real fishermen associate the sport with a barefooted boyhood where pole, bait, stream and the alder branch on which the fish were strung were all the product of nature. Only the hook and line were commercial. With the bending rod and sparkling water such men can redeem the joy and peace of their youth. But those to whom the pleasure of such memories is forever closed cannot fail to find a lure and charm in the gentle art. The open country, the unhurried silence, the refreshing leisure are a stimulation to the body and a benediction to the soul. Even the imagination expands and the credulity is disciplined in telling and listening to adventures with rod and reel. There is something natural, homely, wholesome and unspoiled about fishermen which we shall all do well to cultivate.

* * *

IT WILL do no harm to have a reminder that when legislators pass laws requiring the expenditure of money the people will have to pay it. When a deficit exists it must be met. Temporary borrowing may take care of it for the present but finally the taxpayers will come to a day of reckoning.

Raising tax rates does not now seem popular. Imposing a new levy on small incomes is anathema to those who vote large appropriations. Some legislators even boast of supporting all appropriation bills and opposing all tax bills. But people with small incomes will pay indirectly in all they buy or use even if they pay no direct tax. They are the ones who suffer most from Government extravagance.

The present high rate of taxes is one of the main reasons small concerns are closing up and their business is going to chain stores and other large corporations. The overhead of taxes is so large that a small business is at a serious disadvantage.

CALVIN COOLIDGE.

Other People's Views

Unreliable Russian News

Commerce & Finance, New York.—It is difficult to get accurate news from Russia. It is generally said that the Soviet government tolerates the activities of many of the churches, attempting only to limit their number to the demonstrated demand for them. We are also informed that in some parts of Russia there has been a substantial emergence of evangelical protestantism.

With so much to see in Russia it is inevitable that much of what gets printed reflects the things the narrators were looking for. We read the other day a vividly detailed account of the service in an orthodox Russian church, with precise descriptions of "the statues of the Saviour and the Virgin Mary and other saints," of the procession of altar boys and girls, swinging censers and the silver bell. It read more like a Roman Catholic service than anything we had ever seen in the Russian church here.

A Russian in New York, formerly prominent in the official life of his country, says that the setting and scenery of the church are all wrong and the services described not at all those of the Russian church, which has no images of the Saviour, mother or saints, the "icons" being paintings, and the church taking most seriously the prohibition of graven images. He further says that bells, holy water and procession are wrong.

Russia seems a hard country to observe accurately.

"Stop Me If You've Heard This One"

Cases of mistaken identity furnish some of the most embarrassing situations imaginable.

At a revival meeting converts were coming forward by the dozen. A negro came striding down the aisle and dropped to his knees. He was barefooted, and two enormous feet stuck up behind him.

In a moment the near sighted revivalist started up the aisle, kneeling here and there beside the converts. Peering earnestly at the negro, he patted him on the shoulder, and murmured: "Bless you, brother." Then kneeling behind him and putting a hand on each heel, he said, "And bless these two dear little boys."

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Business Conditions in Canada

The Week in Business

Higher Sales Tax Anticipated
Norman in Washington
United States Viewpoint

BUSINESS in Canada is receiving a decided fillip at the present time in anticipation of an increase in the sales tax, according to leading manufacturers. Many plants are understood to be working two and three shifts a day to meet this situation, it having been ascertained that once goods are billed for delivery prior to a change in the rate of tax, they cannot be burdened with whatever increase is made in the rate. A short time ago it was rumored that the Budget was to be brought down early in May, while later rumors indicate that it will be delayed till the end of that month. Some canny manufacturers go so far as to believe that this latter suggestion may be a ruse on the part of the Government to put business off its guard so there will be an easing up of production in anticipation of an extra month's leeway. At any rate it is known that there is feverish activity in the customs and tariff departments at Ottawa, and it is now believed beyond all question that the turnover tax is a dead letter at the capital. Even at that there's no accounting for what Prime Minister Bennett may decide to do even at the last minute.

* * *

UNDOUBTEDLY one of the most important events of recent weeks is the negotiations being carried on by Governor Norman, of the Bank of England. Although nothing official has been given out it is believed at Washington that a pessimistic picture of the outlook for world business conditions was painted by the chairman of the Bank of England and that contrary to a somewhat similar situation in 1927, no specific remedy seems to be clearly at hand. Many problems, it is understood, were discussed. Some of these include the silver question and its relation to the gold standard; conversion of the £2,000,000,000 British 5 per cent War Loan; the possibilities of resumption of foreign lending by American financiers; the war debt problem; and the heavy strain of indebtedness in the capitalistic world, as compared to Russia's free hand.

* * *

WASHINGTON'S viewpoint, as found by Governor Norman, according to the Whaley-Eaton Service, is substantially as follows:

"The situation does not call for stimulative medicines and panaceas. A wasting disease, such as tuberculosis, is cured not by stimulants but by a slow upbuilding of the patient, a gradual convalescence, a strengthening of the body day by day. So, now, the trade of the world is not to be revived by manipulation, by drastic stimulation or anything of that character. Rather, let help be given where it is most required, here and there, while liquidation proceeds as it is proceeding, and nature, as it were, will bring about a revival. Indeed, the depression is forcing economies, eliminating waste, putting minds to work, and literally compelling the kind of progress that is of incalculable worth to society even if not immediately assessable in terms of money. On that basis, there is an opportunity for international co-operation of the sort that Washington can approve.

"The indications are, therefore, that Governor Norman will return to London with some sort of understanding. There can hardly be a formal agreement, for nothing so binding resulted even last year when the low-money policy was decided on. The indications are as stated because the alternative would be developments in Europe, over the next few months, of so unfavorable a character as further seriously to depress trade conditions in the United States."

ECONOMIC SURVEY SHOWS POSITION OF CHIEF CITIES

Four Areas Said to Have Good Sales Prospects in Canada

Quebec, London, Ottawa, Saint John, offer the best sales prospects during the near term future as compared with Canada as a whole, according to an analysis of sales and credit prospects in Canada, prepared by the Standard Statistics Co. of New York. These surveys are made monthly, and previous to this year have covered only the United States. It is interesting that in the entire United States only eighteen cities rank with the four Canadian cities mentioned above, as offering the best business prospect at the present time.

In addition to the four cities mentioned above, six other cities, namely, Edmonton, Saskatoon, Regina, Brandon, Hamilton and Halifax are given as having good sales prospects, while seven others, namely, Victoria, Vancouver, Calgary, Fort William, Toronto, Sherbrooke and Montreal are ranked as fair. Only one Canadian city is said to offer poor sales prospects, namely, Winnipeg.

The following summarizes by economic areas, the conditions in Canada as seen by this authority:

Five Economic Areas

Maritimes—Under the influence of contracted consumer purchasing power, trade continues at a lower level than a year ago. Collections are poor. Prospects for early future months are none too promising, as evidenced by a decline of 11 per cent in our bank debits index for January. Spring sales results likely will fall at least 5 per cent below corresponding 1930 returns, on the average. A somewhat better comparison may be anticipated in Halifax, while the most favorable sales opportunities will be found in Saint John.

Quebec—Concerted sales efforts in Quebec City should return relatively satisfactory results; in other sections of the province a decline of nearly 10 per cent from last year's accomplishments will be experienced. Gradual improvement may be anticipated in Montreal and Sherbrooke.

Ontario—Our bank debits index for January fell 15.4 per cent below that for January, 1930, showing the extent of general business contraction. Realization of anticipated further improvement in industrial conditions should augment spring trade, but, despite such seasonal influences, we doubt that sales organizations will be able to secure much more than 90 per cent of the results for the similar 1930 period. In our opinion, the most favorable sales of opportunities will be found in London and Ottawa during April and May; better than average prospects are also indicated in Hamilton.

Prairie Provinces — Under adverse conditions, volume of general business has been sharply contracted. According to our bank debits index for January, a drop of 20 per cent from the corresponding 1930 period is indicated. Only moderate seasonal gains are anticipated during the spring, although some stimulus to trade may be witnessed in northern farm districts of Alberta and Saskatchewan where comparatively large grain stocks are in farmers' hands. The most favorable comparisons with 1930 sales results should be witnessed in Brandon, Regina, Saskatoon and Edmonton.

British Columbia—Our bank debits index for January indicates that general business throughout the province was 24 per cent lower at that time than a year previous. Purchasing power in all districts is contracted and we question that spring sales accomplishments will be satisfactory. In fact, unfavorable comparisons will be encountered in all districts of British Columbia.

Industry Anticipates Higher Sales Tax

	Canada	United States
Commodity Prices:	Better export demand lifts wheat across 60 cent mark.	Further declines in staple commodities distressing factor.
Iron and Steel:	Upturn in automobile sales not sustained in recent weeks.	Prices weak and outlook poor despite increase in March daily outputs.
Foreign Trade:	Canada receives preference in Australian automobile market.	Montagu Norman seeks financing for European countries.
Car Loadings:	Weekly figures slump to 22 p.c. below 1930 level.	No signs of upturn with loadings currently 23 p.c. below five-year average.
Employment:	248,000 persons aided under Federal unemployment relief plan.	Lower wage rates expected to precede general improvement in employment.
Stock Markets:	Leaders drift in narrow range; little strength shown.	Turnover at lowest point since August, 1930.
Credit:	Prospects of federal refinancing loom in near future.	Brokers loans down 70 p.c. from 1929 peak.
Week's Highlight:	Manufacturers report considerable activity in anticipation of higher sales tax.	Outcome of Norman conversations of considerable interest to financial community.

Industry Reaps Benefit Of Anti-Dumping Laws

Review of Canadian Manufacturers' Position at End of Six Months of Drastic Legislation, Shows Favorable Results

With six months of experience to draw upon, Canadian manufacturers seem thoroughly pleased with the way the Dominion Government has put into effect the drastic anti-dumping laws enacted by the Federal Government in September, 1930.

It will be remembered that the special session of Parliament, which sat last fall, enacted the most drastic anti-dumping laws ever placed on the statute books of this country. So drastic were these provisions that many doubted at the time whether the Government would be either willing or able to put them into effect.

Now, after six months of operation, manufacturers interviewed by The Financial Post maintain that in almost every instance where a bona fide case of dumping has been reported to the board, not only has the law been enforced with considerable benefit to Canadian industry, but furthermore, without penalty to Canadian consumers.

The only section of the new dumping legislation that has been used sparingly by the Government is section 43, which provides:

"If at any time it appears to the satisfaction of the Governor-in-Council on a report from the minister that goods of any kind are being imported into Canada, either on sale or on consignment, under such conditions as prejudicially or injuriously to affect the interests of Canadian producers or manufacturers, the Governor-in-Council may authorize the minister to fix the value for duty of any class or kind of such goods and notwithstanding any other provisions of this act, the value so fixed shall be deemed to be the fair market value of such goods."

It will be remembered that it was the passing of this clause as applied to the entire range of manufactures and commodities, and which gave sweeping powers of appraisal to the minister, which caused the greatest protest from the opposition members of the House of Commons. Prior to the September enactment, a somewhat similar section was on the statute books but its application had reference only to "natural products of a class or kind produced in Canada."

Just what the enforcement of the new water-tight anti-dumping legislation is doing may be gauged from the experience of one of the largest manufacturing concerns in Canada with plants in three cities in Ontario and Quebec. Anti-dumping rulings were given affecting this company's products in October under the new statute with the result that by January, 1931, there had been a 51 per cent increase in labor; a 43 per cent increase in shipments and a 48 per cent increase in production as compared with the figures for September, 1930, prior to the anti-dumping statute. Only a small fraction of this increase can be attributed to seasonal increases according to this manufacturer.

The same manufacturer also reports that prior to an appraisal being given by the department in October, production of lines affected was running 26 per cent below the totals for the same period in 1929. By the end of the year these departments finished with total production 6 per cent in excess of the total in 1929. The same firm has also recently compiled a list of merchandise now manufactured in Canada as a result of the enforcement of the anti-dumping laws, and the list comprises almost a score of individual articles, some of them of considerable monetary value.

Radio Industry in Canada Made Good Gains in 1930

Major James E. Hahn States Number of Units and Dollar Value Increased — Says Prospective Inventions Will Not Make Present Receivers Obsolete

Despite a general slowing up of industry, one of the surprising facts of the past year is the progress of the radio industry in Canada, which has shown an increase both in units and in dollar value, according to Major James E. Hahn, president of De Forest Crosley, Ltd.

Sales of receivers in the Dominion during 1930 were slightly over 220,000, with a retail valuation of approximately 40,000,000. This showing can be partly explained, says Major Hahn, by the fact that the business recession in Canada has not compared in severity with that which has been experienced in the United States.

In 1929 there were 4,400,000 receivers sold in the United States, with a retail valuation of $592,000,000; in Canada, in 1929, there were 185,000 radio sets sold, with a retail valuation of approximately $33,000,000. During 1930 the United States suffered a recession in radio sales, both in units and dollar value, owing to a great over-production built up in 1929. New concerns had entered the industry in 1928, creating a productive capacity of approximately 15,000,000 sets per year, with a market which could only assimilate about one-fifth of these. As a result there were about 3,800,000 receivers sold in the United States during 1930, with a subsequently lower retail valuation of about $332,000,000.

Marked Improvements Not Expected

In forecasting the developments in radio engineering during the next ten years Major Hahn does not believe that radio receivers of today will show as marked improvements in the next few years as they have in the past. Innovations, he believes, will be along the line of film recording, home movie-talkies, wired wireless and television.

Improvements in radio reception are more likely to come from an increase in the power broadcasting stations, which will eliminate, or tend to eliminate, static by overpowering it. In other words, the static ratio will be lowered at the receiving end by increasing the power at the transmitting end.

Film Recording is Luxury

Major Hahn expects film recording on the market in 1932 or 1933. This will consist of an electric phonograph, which will carry, instead of the ordinary disc record, a film such as is now used in a moving picture machine, and on this film music will be recorded electrically. This would permit the owner to have an entire grand opera or an entire symphony on a reel. However, owing to the cost of the film and the instrument, film recording will probably be confined entirely to a restricted luxury field. Considerable difficulty has been experienced from the standpoint of cost and maintenance of the film and apparatus which, for some time, will prevent it from being at all competitive with any recording device on the market now or in the near future. The film itself is costly and, as manufactured today, has a very limited life.

Home Movie-Talkies Coming

Major Hahn thinks the logical development from film recording will be the home movie-talkie. On the film you will have the pictures as on a movie film, and synchronized with this picture will be the accompanying music or dialogue. This device also will probably be confined to the luxury field and it is unlikely that this type of apparatus will replace record reproductions.

Wired Wireless Not Yet Success

Major Hahn foresees no immediate development of wired wireless on a commercial scale. The power companies have been doing research work on wired wireless for some time. So far, experiments have not met with a great deal of success. The chief difficulty seems to be that while there is ample power to actuate the set within a few blocks of the transmitting station, the multiplicity of circumstances at each home with regard to transformers, wiring and other factors has made it an unsatisfactory and unreliable transmitting medium from the receiver's point of view. He did not think that wired wireless will ever replace space radio which will remain the fundamental method of disseminating and receiving broadcast programmes, so far as can now be seen.

Television Is Not Commercial Yet

The difficulties facing television, Major Hahn says, are two-fold; first, in transmitting the programmes for any distance and secondly in receiving them as transmitted. So far there have been no successful experiments which would tend to indicate the immediate possibility of commercializing television. It will take at least five years to put it on a commercial basis.

Ship Alberta Honey West

The honey producers in Southern Alberta are now shipping honey to British Columbia coast points in carload lots.

Planting Peach Trees

It is expected that about 20,000 new peach trees will be planted in the Oliver district of British Columbia this year.

FINANCIAL HELP FOR NOVA SCOTIA FRUIT INDUSTRY

Government Sponsors Bill Providing Funds Up to $500,000

From Our Own Correspondent

MONTREAL.—A bill has been introduced in the Nova Scotia legislature providing for Government assistance to the fruit industry of the province in the form of financial guarantees up to half a million dollars.

The measure defines the form of a new company, still to be organized, which would handle the credits, distributing them to its members, of whom the United Fruit Companies of Nova Scotia, and the Nova Scotia Fruit Growers' Association may be two. The former shall have the power to elect three directors and the latter two. A fixed directorate is to be named by members, necessarily incorporated, who are not shareholders in the United Fruit Co.

This move follows as a result of the enquiries by a Royal Commission into the problem of the Nova Scotia fruit industry.

Basis of Membership

The proposed legislation provides that any three or more companies incorporated under chapter 70 of the revised statutes of 1923, "of the Incorporation of Farmers' Fruit, Produce, and Warehouse Association" are authorized and empowered to form under the Nova Scotia Companies Act an incorporated company limited by shares, notwithstanding that the purpose for which such companies are associated is that of a loan company; provided, however, that this Act shall not authorize the incorporation of more than one such company, and that the memorandum or the article shall not be registered unless the Governor-in-Council has approved thereof.

The object of the company must be solely to lend money to its members on expedient terms, taking mortgages or assignments as security, on approval of some person designated by the Governor-in-Council. The company may borrow on debentures, perpetual or otherwise.

It is provided in the legislation that the Governor-in-Council may guarantee the payment of the principal and interest or either of them or any part thereof payable under any debentures of the company, provided that the aggregate amount of principal so guaranteed does not exceed $500,000.

B.C. To Send Own Seller To Britain

From Our Own Correspondent

VANCOUVER.—The British Columbia Government has offered to put up $15,000 on a basis of dollar for dollar with the province's lumber interests in fiancing a permanent lumber marketing commission in the United Kingdom.

The Government proposes to appoint one man, perhaps two, to take charge of an office in London and their duties there will be to stimulate interests in fiancing a permanent British Columbia, to advertise sawmill products, interview architects, importers and other potential buyers of lumber, and generally act as trade scouts for the lumber industry.

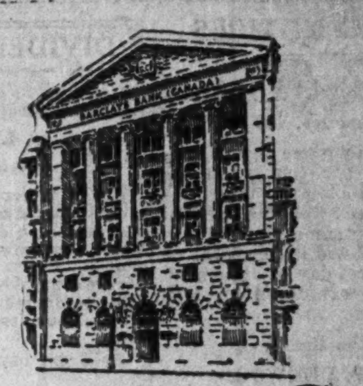
The opinion of the Government is that the British Isles have spent enormous sums on Baltic lumber because Baltic lumber sellers have been always in close touch with the British market. British Colombia proposes to abandon this idea of long-distance selling and place commissioners right on the ground to maintain a constant contact between buyer and seller

"If we can get what we want there will be an additional revenue for the lumber industry of this province amounting to $15,000,000," said Hon. Nels Lougheed, announcing the plan.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest 1931	Weekly Latest 1930	Cumulative Jan. 1, to date 1931	Cumulative Jan. 1, to date 1930
C. P. R. Gross earn. (Apr. 7)	$ 2,724,000	$ 3,450,000	$ 36,695,000	$ 43,344,000
C. N. R. Gross earn. (Apr. 7)	$ 3,396,888	$ 4,246,211	$ 45,597,378	$ 57,427,944
Car Loadings (Apr. 4)	45,322	58,406	653,117	798,540
Common Stock Index (Apr. 9)	104.6	175.5	......	......
	Monthly			
Production—				
Pig Iron, tons (February)	46,395	70,600	81,987	157,679
Steel, tons (February)	82,637	106,612	140,235	221,812
Newsprint, tons (February)	164,550	189,150	348,889	395,455
Automobiles (February)	9,871	15,548	16,367	25,936
Boots and Shoes, pr. (Feb.)	1,276,965	1,446,610	2,261,889	2,679,931
Flour, bbls. (January)	1,086,272	1,168,004	......	......
Mineral Production—				
Gold, oz. (January)	202,785	154,114	......	......
Silver, oz. (January)	2,117,670	1,709,222	......	......
Nickel, tons (January)	3,250	4,614	......	......
Copper, tons (January)	15,930	12,463	......	......
Lead, tons (January)	14,294	11,615	......	......
Zinc, tons (January)	10,156	8,877	......	......
Coal, tons (January)	1,164,498	1,643,622	......	......
Natural gas, M. cu. ft. (Jan.)	3,200,000	3,888,517	......	......
Petroleum, bbls. (January)	179,711	100,496	......	......
Automobile Financing—				
Used Cars (Jan., '31)	$ 1,283,690	$ 1,739,524	......	......
New Cars (Jan., '31)	$ 904,850	$ 1,113,471	......	......
Construction—				
Building Permits (February)	$ 5,929,587	$ 8,919,078	$ 13,440,332	$ 16,136,475
Contracts (March)	$ 27,311,800	$ 24,263,000	$ 73,541,000	$ 90,257,800
Labor—				
Employment Index (March)	100.2	110.2	......	......
Trade—				
Imports (February)	$ 50,994,084	$ 80,922,161	$ 101,407,979	$ 165,584,538
Exports (February)	$ 43,872,682	$ 66,689,817	$ 88,555,565	$ 140,197,144
Imports of Key Products—				
Rubber, lbs. (February)	4,316,000	5,039,000	8,144,530	11,403,995
Cotton, lbs. (February)	5,389,000	7,673,000	15,541,000	18,299,000
Sugar, lbs. (January)	23,116,800	41,625,600	......	......
Petroleum, crude, gal. (Feb.)	61,700,000	73,500,000	120,674,995	151,227,438
Coal, tons (February)	830,609	1,310,707	1,623,435	3,078,279
Exports of Key Products—				
Newsprint, tons (February)	144,236	163,204	297,598	362,977
Automobiles, No. (February)	1,596	4,280	4,691	7,277
Wheat, bush. (February)	10,296,603	6,732,826	19,905,455	11,726,880
Wheat, flour, bbls. (February)	414,773	480,587	807,029	983,475
Electric Power—Output—				
M. Kilowatt hours (February)	1,336,196	1,398,095	2,821,418	2,952,906
Population—				
Emigration (February)	678	3,217	1,645	7,288
Immigration (Dec., '30)	2,909	4,943	104,806	164,992
Finance—				
Failures, No. (Jan.)	240	261	......	......
Failures, Liabilities (Jan.)	$ 3,970,679	$ 8,661,100	......	......
Bank Debits (February)	$2,584,913,429	$2,815,024,273	$5,203,238,131	$6,026,446,039
Bond Sales (March)	$ 44,121,000	$ 54,243,497	$ 191,280,970	$ 156,957,974
Insurance sales (February)	$ 40,180,000	$ 45,499,000	$ 81,368,000	$ 92,287,000
Wholesale Prices (1913=100)—				
General Index (February)	76.0	94.0	......	......
Iron and its products	87.9	92.7	......	......
Cottons, raw	62.7	89.4	......	......
Grains	41.0	82.2	......	......
Live stock	79.7	126.7	......	......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T. KELLY DICKINSON
(Founder of The Montreal Financial Times, and Special Contributor to The Monetary Times and The Financial Post when this Century was in its infancy)

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DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 199

Notice is hereby given that a Dividend of Three per cent upon the Paid-Up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the first day of June next, to shareholders of record on May Fifteenth, 1931.

By Order of the Board.

H. B. HENWOOD,
General Manager.

Toronto, April 8th, 1931.

CONSOLIDATED PRESS LIMITED

COMMON DIVIDEND NO. 5

Notice is hereby given that a quarterly dividend of 50c a share on the Class A Common Capital Stock of this Company (being at the yearly rate of $2.00 a share) has been declared. This dividend is payable May 1st, 1931, to Class A shareholders of record at the close of business at April 15, 1931.

E. L. PATCHET,
Secretary-Treasurer

Toronto, April 2nd, 1931.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada)

NOTICE OF STOCK DIVIDEND PAYABLE 1ST JUNE, 1931

The Board of Directors has given consideration to the question of the dividend for the current quarter and has decided that owing to the continuance of unsettled business and financial conditions, including exchange, in Brazil, it is in the best interests of the Company and its shareholders again to declare a stock dividend. Accordingly notice is hereby given that the Board of Directors has declared a stock dividend on the Company's Ordinary Shares of no par value, at the rate of one fully paid share for each fifty fully paid shares held by shareholders of record on the registers at the close of business on 30th April, 1931. The shares comprising such stock dividend will rank for dividend as from 1st June 1931, but no dividend will be paid in respect of a fractional part of a share. When such fractions are converted into whole shares the latter will then rank for all dividends payable after the date of such conversion. Definitive certificates and/or fractional certificates representing the stock dividend will be forwarded to shareholders on or about 1st June, 1931.

Holders of fractions can either sell the same or purchase sufficient additional fractions to make up a whole share, and should arrange for such adjustments through their bankers or brokers as soon as possible after receipt of the fractional certificates. Where necessary fractional certificates may be split into smaller denominations and to facilitate distribution whole shares may be split into fractions, but no splits of whole shares will be allowed after 31st July, 1931. Applications for splits must be made to the Company's transfer agent, National Trust Company, Limited, Toronto or Montreal, but for the convenience of European shareholders applications may be sent through the London agents of the Company under conditions particulars of which may be obtained from the agents. Fractions resulting from the above stock dividend may be combined with outstanding fractions in respect of the December 1st, 1930, and March 2nd, 1931, stock dividends but not with outstanding fractions in respect of the March 1st, 1930, stock dividend unless the right to accrued dividends applicable to the latter fractions when converted into whole shares is waived. Forms of waiver for the purpose as previously announced can be obtained from the Company's transfer agent, National Trust Company, Limited.

By Order of the Board,

A. W. ADAMS,
Secretary.

Dated at Toronto, Canada, this 14th day of April, 1931.

The Company's London Agents are Canadian and General Finance Company, Limited, 3 London Wall Buildings, London, E.C. 2.

DIVIDEND NOTICES

Abitibi Power & Paper Company LIMITED

Dividend Notice

Notice is hereby given that a quarterly dividend of one and one-half per cent has been declared on the Six Per Cent Cumulative Preferred Stock of Abitibi Power & Paper Company, Limited, payable the 20th day of April, 1931, to shareholders of record at the close of business the 10th day of April, 1931.

By Order of the Board,

T. BROADHURST,
Secretary.

The Mount Royal Hotel Company Limited

A dividend of one per cent. (1%) on the Six Per Cent. Preferred Stock of The Mount Royal Hotel Company, Limited, has been declared, payable April 25th, 1931, to Shareholders of Record at the close of business April 15th, 1931.

By Order of the Board,

M. A. THOMSON,
Secretary.

Montreal, April 14th, 1931.

Disher Steel Construction Company Limited

DIVIDEND NOTICE

Notice is hereby given that the Sixth regular quarterly dividend of 37½c per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Disher Steel Construction Company, Limited, payable on the First day of May, 1931, to shareholders of record on the Fifteenth day of April, 1931.

By Order of the Board.

DONALD H. ROWAN,
Secretary.

Toronto, April 13th, 1931.

WESTERN STEEL PRODUCTS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend has been declared on the Six and One-Half Per Cent Cumulative Redeemable First Preference Stock of Western Steel Products Limited, payable on the 1st day of May, 1931, to shareholders of record on the 15th day of April, 1931.

By Order of the Board.

WM. S. SPARROW,
Secretary.

BLUE RIBBON CORPORATION LIMITED

A quarterly dividend of eighty-one and one-quarter cents (81¼c) per share on the Preferred Shares will be payable on and after May 1, 1931, to shareholders of record on April 15, 1931.

J. C. JAMIESON,
Secretary.

THE TECK-HUGHES GOLD MINES, LIMITED

No Personal Liability

The Directors of this Company have declared a dividend of fifteen cents per share, payable on the 1st day of May, 1931, to shareholders of record at the close of business on the 16th day of April, 1931. Transfer books will be closed for transfer at the close of business on the 16th day of April, 1931, and will reopen on the 1st day of May, 1931.

WILLIAM C. HIMROD,
Treasurer.

Jamaica Public Service Limited and Subsidiary Company

STONE and WEBSTER, Inc., Executive Managers of Jamaica Public Service Co., Ltd.

Annual Report for 1930

Comparative Consolidated Income Statement

	1930	1929	Increase
GROSS EARNINGS	$833,853.41	$767,315.81	$66,537.60
OPERATING EXPENSES	457,214.77	416,871.60	40,343.17
Balance	$376,638.64	$350,444.21	$26,194.43
TAXES	37,338.32	30,105.12	7,233.20
Net Earnings	$339,300.32	$320,339.09	$18,961.23
INTEREST CHARGES	95,857.58	77,940.49	17,917.09
Balance	$243,442.74	$242,398.60	$ 1,044.14
RETIREMENT RESERVE	90,000.00	80,000.00	10,000.00
Balance	$153,442.74	$162,398.60	*$8,955.86
DIVIDENDS			
Preference Shares	$ 45,500.00	$ 52,500.00	*$7,000.00
Preference "B" Shares	$ 17,500.00	$ 17,500.00	.....
Capital Shares	$ 22,492.50	.....	$22,492.50
Balance for Reserves and Surplus	$ 67,950.24	$ 92,398.60	*$24,448.36

*Decrease.

RATIO TO GROSS	1930	1929
Operation plus Maintenance	54.83%	54.38%
Maintenance	8.61%	8.89%
Retirement Reserve Appropriation	10.79%	10.42%

Russell D. Bell, President, in his annual report to shareholders said in part:

In spite of somewhat less favourable conditions prevailing in Jamaica generally, the past year has been one of progress and expansion for the operating subsidiaries.

Consolidated gross and net earnings registered a new high record in the history of the Company, the gross increasing by $66,537 and the net by $18,961. This increase in net is minimized through absorbing a substantial increase in taxes and because of a decline in tramway earnings.

Steady growth in the City of Kingston and St. Andrew, particularly in respect to new homes and business buildings and a further development in irrigation pumping in the surrounding districts, has resulted in an increase of over 12% in light and power net revenues in the Kingston area alone. Downward revision of the general rate structures, together with improvement of inducement features thereof, has been of real assistance in securing new business, residential and irrigation pumping services particularly.

The net expenditure in plant and property for the capital account of your Company and subsidiaries during the year amounted to $540,110. The principal addition was the purchase of St. James Utilities Limited, which took place at the beginning of the year. This Company serves Montego Bay and district with electric lighting and power and ice. Its operation has been satisfactorily profitable. The property is in first class condition and your Directors anticipate considerable growth in its revenues.

A new 2,700 horsepower turbo-generator was purchased and installed at the Steam Station in Kingston during the year, thus increasing by approximately 80% the Company's steam generating capacity and providing surplus power for future growth in electric load for some time to come. Complete equipment for the use of oil instead of coal as fuel was installed during the year and gratifying economies from the use of the new fuel have been obtained. The Company's oil storage tank at the Gold Street steam power station is adjacent to the Company's wharf from which oil tankers can unload direct to the tank at minimum expense.

Various other improvements and additions to the Company's operating equipment were made during the year. Your Directors are satisfied that, as to type and modernity, the property and its maintenance is fully up to the standards prevailing in public utility operation on this continent.

The light and power undertaking in Port Antonio was purchased in December by St. James Utilities Limited, and operation as a division thereof began January 1, 1931. Like Montego Bay, Port Antonio is a port of importance as a shipping point for bananas and an attractive tourist resort. It is anticipated that satisfactory profits will be derived from this operation.

The Directors and officers of your Company look forward to 1931 as a year of further progress and expansion of the subsidiary companies' facilities and service with favourable results to be attained.

Montreal, Quebec, Canada, April 1st, 1931.

NATIONAL BREW REPORTS PROFITS OF $2.40 A SHARE

Good Surplus Shown After Paying Increased Dividends

From Our Own Correspondent

MONTREAL.—Operating profits in 1930 of the National Breweries, principal Quebec beer and ale manufacturer, fully came up to expectations. Share earnings amounted to $2.40 each, as against $2.33 on the same basis in 1929.

Profits from all sources during 1930 amounted to $2,456,699. This compares with $2,346,411 in the preceding year and is the highest reported for many years. There was a heavier write-off for depreciation and the amount available for dividends on preferred and common stocks amounted to $1,930,310, compared to $1,876,592 in 1929. After taking care of the regular dividends on the preferred stock and an increased dividend on the common stock, there remained a surplus of $581,865, compared to $960,970 in 1929.

Surplus Over $5,000,000

Full particulars of the profit and loss account follows:

	1929 $	1930 $
Net earnings	2,346,411	2,456,699
Less: Depreciation	469,819	526,389
Net profit	1,876,592	1,930,316
Less: Pfd. dividends	194,250	194,250
Com. dividends	721,372	1,154,195
Surplus for year	960,970	581,865
Brought forward	3,677,031	4,638,001
Carried forward	4,638,001	5,219,866

Working Capital Gains

The balance sheet of National Breweries as at December 31, 1930, showed total assets of $17,815,966, up from $16,954,751 at the end of 1929. Current assets have a value of $4,381,875 and current liabilities $569,327, leaving a net working capital of $3,812,548. This compares with working capital of $3,408,292 at the end of 1929.

Analysis of the balance sheet shows cash on hand at $416,008, a gain of roughly $41,000. The current statement shows call loans of $500,000, an item which did not appear in the 1929 report. Accounts receivable remain much the same at $1,218,059, as also stock of beer, malt, hops and supplies at $1,135,581. Stocks of casks, cases and bottles are given a value in the 1930 report of $564,561, or about $40,000 less than in 1929. Investments show a decline from $841,723 to $547,664.

ALDERMAC MINES REPORT OUTLINES OPERATING PLANS

Aldermac Mines, controlled by the Towagmac Exploration Co., plans to start immediately on the construction of a 500-ton daily capacity concentrator, according to the third annual report of the company.

On March 17, 1931, shareholders approved of a bond issue of $400,000, to finance the new mill, and through the efforts of Towagmac the bonds have been privately underwritten, providing adequate funds for construction purposes.

At the company's property, which consists of approximately 712 acres in one group in Boischatel township, Quebec, about 12 miles southwest of the Noranda smelter, development work to the end of 1929, above the 750-ft. level, indicated ore reserves of 220,000 tons averaging 2.68 per cent copper, 58 cents in gold and .21 ounces of silver per ton.

In addition approximately 1,017,000 tons of ore averaging 75 per cent iron pyrites, 1.65 per cent copper, 40 cents in gold and .5 ounces of silver, have been developed.

A three-mile spur from the Nipissing Central Railway is being built to the company's property.

Production will centre around the pyrite, since Aldermac has a very close working agreement with the Sulphide Research Corp., in which Towagmac Exploration is also interested, whereby it is to furnish Sulphide Research with a portion of its pyrite requirements.

No Financing Planned by Dominion Steel and Coal

From Our Own Correspondent

MONTREAL.—Despatches from Nova Scotia refer to a reconstruction programme to be carried out at the Dominion Steel & Coal's Sydney steel plant. It is stated that H. J. Kelley, general manager, who went to Europe to investigate the different steel making methods in force in England and on the continent, and that as a result of his trip the open hearth furnaces at Sydney will be reconstructed in order to bring their capacity in line with the blast furnaces.

In connection with this proposed reconstruction programme, it was stated that Dominion Steel & Coal Corp. would shortly make an offering of bonds totalling $10,000,000. The report has been given an unqualified denial by C. B. McNaught, president of the company. Mr. McNaught further stated that no other than the usual expenditures were contemplated on the company's plans, which he suggested were in first-class shape.

United Gas Rate Reduction is Followed by Dominion Gas

United Gas & Fuel Co. has reduced its rates to 75 cents per 1,000 cubic feet as of April 15 and it is understood that Dominion Natural Gas Co. has reduced its rates to 25 cents per 1,000 cubic feet. Both companies are seeking to strengthen their position in and about Hamilton, Ont.

Mutual Finance Buys Building

Mutual Finance Corp., Windsor, has bought the Metropolitan Building, London Street and Victoria Avenue, Windsor. The building is a ten-story structure. It will include the head office of the Guaranty Trust Co. of Canada, which is controlled by the same group. A. F. Healy is president of both Mutual Finance and Guaranty Trust.

Durant Injunction Continued for Week

Argument on the temporary injunction obtained in Toronto by Durant Motors Inc., of Delaware, which prevents Durant of Canada turning over its assets to Dominion Motors, Ltd., a new company, will not take place until April 21, at least. The injunction, obtained on April 7 prior to the special meeting of Durant of Canada shareholders, was returnable in eight days, but on April 14 was continued for one week.

Durant Motors Inc. also seeks to have the court instruct Durant of Canada and its subsidiary, York Acceptance, to surrender a promissory note dated October 30, 1929, and to declare that the management contract, entered into in 1921 for a period of 20 years, is still in force. Durant of Canada contends that the whole of the principal and interest have not been paid, despite the sale of the collateral, Durant of Canada stock, and claims that a subsequent agreement entered into in 1930 enabled Durant of Canada to cancel the management contract on ten day's notice if the loan from York Acceptance to Durant of Delaware went into default.

LARGER EARNINGS BY ORANGE CRUSH, PLANS EXPANSION

Putting New Five Cent Drink on Canadian Market in Present Year

Orange Crush, and its subsidiary, Latin American Orange Crush Co., report a consolidated net income for 1930 of $102,559 as against $89,073 in 1929. This gave the company earnings equivalent to 2.25 times dividend requirements on 6,500 7 per cent first preference shares of $100 par value, and sufficient surplus earnings to provide 71 per cent of the requirements for the $2 dividend on 40,000 no par value second preference shares.

There has been nothing earned on the common stock as yet, and a third year of earnings insufficient for the full dividend on 2nd preference stock resulted in that dividend being abandoned as well.

Cuban Improvement Hoped For

R. B. Lindsay, president, states that the business in Cuba was seriously affected by the business depression which in that country was also augmented by political disturbances. The company was enabled to close the year in a better position than at its outset by rigid economy. It is believed that a gradual improvement is now taking place, and the management is energetically pushing sales and increasing advertising to take advantage of whatever improvement occurs.

Honey Dew, in which Orange Crush holds a substantial interest, is reported to be making steady progress. Sales and net profits showed an increase in 1930 over 1929. Profits from that source are not included in the Orange Crush statement.

*CONSOLIDATED INCOME & SURPLUS ACCOUNT
Years Ended Dec. 31

	1930 $	1929 $	1928 $
Net earnings	131,607	133,819	164,395
Add: Int., rentals, etc.	14,037	8,640	14,451
Total net earn.	145,644	142,459	178,846
Less: Interest	6,162	11,638	12,808
Depreciation	27,923	32,236	32,886
Income tax res.	9,000	9,513	8,761
Profit for year	102,559	89,073	124,891
Less appropriations: Pref. divs.	45,500	105,500	121,303
Surplus for year	57,059	†16,427	3,588
Less: Prev. surp.	†11,862	3,588	......
Adjustment	1,062	987	......
Balance forward	46,269	†11,852	3,588

*Orange Crush, and Latin American Orange Crush Co.
†Debit.

WORKING CAPITAL

	1930 $	1929 $	1928 $
Current assets	128,468	93,222	261,117
Current liab.	85,235	64,582	74,548
Working capital	43,228	28,740	189,569
Ratio	1.50—1	1.44—1	3.50—1

ONTARIO TOBACCO PUTS PREFERRED ON 4 P. C. BASIS

Directors of Ontario Tobacco Plantations have decided on a change of policy with respect to dividend payments on $414,600 of issued 7 per cent cumulative preferred stock of $100 par value. Hitherto the company has paid the seven per cent dividend in one payment at the end of the year, but this year it has decided on a quarterly dividend basis. Dividends are being paid at the rate of one per cent quarterly. This amounts to a reduction of three per cent a year and is a reflection of the fact that there was a prolonged drought last summer which affected the weight of the crop.

The price obtained by the company for its tobacco remained the same and, therefore, it was the light weight which affected the revenue. The company is fortunate in that its light, sandy soil is suitable for the growing of flue-cured tobacco, and this tobacco constitutes about the only agricultural product which maintained its price in 1930. The export business in this commodity has increased, the British taking 2,000,000 pounds in 1930. The results in England are reported as having been satisfactory and buyers have notified growers that they will be in the market for three times the quantity next fall.

Standard Exchange Tickers May be Seen in Wall Street

Ticker service from the Standard Stock & Mining Exchange will be installed in a number of large New York brokerage houses if plans now under way are completed. Extension of the ticker service from the Standard Exchange reflects the growing interest in New York in Canadian mining securities.

The growing interest in Canadian mining stocks, particularly the Canadian gold stocks, has made the installation of ticker service in New York feasible. Trading in the mining market has been consistently upward in the past few months, sales in the first quarter of 1931 amounted to 42,118,216 shares, valued at $28,282,716.

If plans are carried out, the Standard Stock & Mining Exchange will be the first Canadian exchange to make direct connection with any United States market.

BREWING CORP. SAYS ECONOMIES ARE BEING MADE

Holding Company Reports Good Working Capital Position

Brewing Corp. of Canada, which through 1930 obtained by merger and purchase control of 11 large brewing companies, does not include a consolidated profit and loss account in its financial statement for 1930 owing to the brief period that most subsidiaries were controlled. The policy adopted was to receive only from subsidiaries the exact amount of revenue necessary to meet expenses and to pay the two preference dividends declared during the year. The company reports that it has 3,061 preference shareholders and 3,158 common shareholders.

Income taken from subsidiaries during this year of organization was $206,212, made up of $92,296 received for management fees from subsidiary companies and $113,916 for interest and dividends received.

Executive and office salaries expenses were $63,426, leaving a net income of $142,786 which was all expended in dividends, on 142,404 cumulative sinking fund convertible preference shares of no par value, paying $2.50 a share. No dividend has yet been paid on 258,135 no par value common shares.

E. P. Taylor, president and general manager, states that the brief period of the company's existence has been one of reorganization and preparation for the future. He states that the expected operating economies are now being realized and that the degree of future profit will be in proportion to sales.

Consolidated current assets are shown at $1,838,525, which is 2.27 times current liabilities of $810,340. Cash is shown at $105,289, government and other gilt edge bonds at $100,702, receivables at $315,118, and inventories at $1,317,407. The principal item in the current liabilities is $456,248 in bank loans and overdrafts. Payables amount to $255,172 and dividends payable to $83,116 with a reserve of $15,803 for Dominion income tax.

Fixed assets are shown in the consolidated balance sheet at $5,445,825. Land is estimated at $608,567, buildings at $2,886,256 and plant and equipment at $3,519,643. On the latter two items, however, there is a reserve for depreciation of $1,568,641, leaving buildings and plant and equipment at $4,837,258. The company has property not used in business and other investments to the amount of $259,018.

There comes before the preference stock mortgage agreements payable of $64,807, 5 per cent serial notes due from 1931 to 1936 of $600,000 and minority interest in subsidiaries amounting to $350,871. There is a reserve for contingencies of $457,426.

The surplus applicable to 142,404 cumulative sinking fund convertible preference $2.50 shares of no par value and 258,136 no par value common shares is given at $5,334,542.

BANKERS SAY WEST BORROWS DESPITE SLUMP

(Continued from page 1)

thoroughly reliable reports, but could not back their statements with definite cases. Mr. Brownlee promised to forward specific cases to the banks without delay, and the banks promised an immediate investigation and reconsideration of each case.

The conference has done much to clear the air at the capital. There is still great animosity toward the banks among Western members, and there will be a debate on the Western credit situation soon or late, but in informed circles the disposition freely to criticize Western banking policy is subsiding.

The bankers took this line: They are not in the business of making loans which, in the nature of things, can never be repaid. If they were, they would soon disappear via the bankruptcy route. They pointed out that the usual practise was as follows: When a man comes for a loan, he is asked the purpose to which he proposes to put it. Usually the farmer replies that he needs the money for seeding. Thereupon the farmer is asked what chances there are of repayment if wheat prices do not go up, particularly if they go down. As a rule the farmer admits that he will not be able to pay.

In private conversation, the Western representatives were rather inclined to agree that Western farmers, at present grain prices, were not good risks, and that the country had no right to ask any institution, bank or mortgage company, to go ahead with a policy of loaning, where chances of repayment were uncertain.

Hamilton United Theatres Earnings Showed Increase

Net profits of Hamilton United Theatres for the year ended August 30, 1930, were $116,578 before depreciation as compared with $62,584 in the preceding year. Net profits were $70,553 against $31,740 in 1929. Net profits were 1.28 times dividend payments on preferred stock of $55,153 and there was a surplus for the year of $15,400, making total surplus carried forward $60,398 when added to $45,410 with which the year began.

Total assets are shown at $2,160,009 as compared with $2,234,008 a year earlier. Theatre properties are down from $742,421 to $725,213, sound equipment and other deferred charges have been written down from $64,784 to $15,508. Net working capital increased from $28,444 to $77,345. The greater part of the total assets is made up of the intangible item of $1,310,187 for goodwill, franchises, etc.

SARNIA CHAIN LINK
HIGH RUST RESISTING FENCE FOR EVERY INDUSTRY
SARNIA FENCE Co Ltd
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Can. Gypsum to Build Plant at Willow Grove

In line with indications given in The Financial Post of April 9, Canadian Gypsum Co. announces the purchase of property at Willow Grove, Ontario, just south of Hamilton where a new vein of rich, massive gypsum has been located. This is a new addition to the mineral resources of Ontario, and it will be developed at once as construction begins immediately on mill office and a gypsum mill which will include a plaster mill, board plant and warehouse. A complete line of gypsum and lime products will therefore soon be made available by this company to the trade in Eastern Canada from mills and deposits strategically located to markets in Maritime Provinces and in Ontario.

C. & T. CREDITORS MEETING APRIL 24 TO ELECT TRUSTEE

Stimson Officials Have Preliminary Trial on Conspiracy Charges

The first meeting of creditors of Commerce and Transportation Building, Ltd., the principal company in the list of Stimson companies in bankruptcy, will be held at the office of O. E. Lennox, official receiver, at Osgoode Hall, Toronto, on April 24 at 11 a.m.

The permanent trustee will be elected at this meeting. Notice of the meeting has been advertised by the custodian, F. C. Clarkson, 15 Wellington St. West.

At the preliminary trial of F. G. Johnston, H. H. Thomas and L. E. Clark of the Stimson organization on charges of conspiracy and theft before Judge Coatsworth, C. F. H. Carson, for the crown, stated that though the original capitalization was for $1,400,000 plans entailed an expenditure of $1,800,000. When it was realized the promoters were $400,000 short for the new building, a new company was floated to take over the assets of the old and supply the remaining capital. This new company was authorized to sell 300,000 shares of preferred at $10 a share and 100,000 no par value common shares at not more than $10 a share.

An agreement between the firm and Thomas to the effect that Thomas was to get a 20 per cent commission was entered as an exhibit. This rate also held for Automobile Owners' Association memberships and 8 per cent was allowed on the 6 per cent debentures of National Debentures Corp.. He was to supervise all salesmen of the organization and be manager of Realty Finance Corp. at $100 a week and 2 per cent on all securities sold.

BRUNSWICK BONDS FETCH GOOD PRICE

From Our Own Correspondent

MONTREAL.—New Brunswicks' largest bond issue has been sold at the most favorable price obtained for the Provinces's debentures in at least 25 years, according to the provincial secretary-treasurer, who accepted a bid of 99.438 for $5,215,000, 4½ per cent, 30 year bonds, Canada and New York payment, making the interest cost to the Province 4.52 per cent.

Thirty of the leading financial concerns in Canada and the United States were represented in the six tenders, the successful group bid being made by a syndicate composed of: Bank of Nova Scotia, Bell, Gouinlock and Co., McLeod, Young, Weir and Co., Fry, Mills, Spence and Co., J. M. Robinson and Son, and T. M. Bell and Co.

PAPER MERGER PLANS STILL IN ABEYANCE

(Continued from page 1)

any plan of reorganization is placed before the bondholders and stockholders.

The basis upon which this re-arrangement will be effected will no doubt have an important influence in setting a basis of valuation for other newsprint properties in endeavoring to effect a consolidation. The question of property values has been the stumbling block to previous merger negotiations.

Further Mergers Likely

There are many reasons for anticipating that further consolidations will take place in the Canadian newsprint industry. The primary need of the manufacturers just now is more tonnage. Additional tonnage is not in sight and the amount available is insufficient to permit of an adequate return on the capital invested. It stands to reason, therefore, that some of the machines will have to be closed down, obviously the older and costlier units.

Vancouver Grain Exports

The weekly report of the Vancouver Merchants' Exchange shows total grain exports from Vancouver to date at 50,157,964 bushels, more than 18,000,000 bushels greater than for the corresponding period last year.

NOTICES

Financial backing required for business proposition, unique and new in Canada, in connection with retail drug business. I am an experienced and capable young man with good references. Five to ten thousand is the amount needed, preferably, but not necessarily from a man with accounting experience. Your investigation of my plan is invited. Write Box 272, The Financial Post, 143 University Ave., Toronto, Ont.

ASSOCIATED BREWERIES OF CANADA LIMITED

NOTICE TO SHAREHOLDERS

The third Annual General Meeting of the shareholders of this Company will be held on Tuesday the 28th day of April, A.D. 1931, at the hour of eleven (11) o'clock in the forenoon, at the head office of the Company in the City of Calgary, in the Province of Alberta, to receive the annual report of the Directors, Balance Sheet, Statement and Report of the Company's Auditors; to elect directors for the ensuing year; to appoint an Auditor and fix his remuneration for the ensuing year and to transact such general business of the Company as may properly come before the Meeting.

The Common Stock Transfer Books will be closed at Montreal and Calgary at three (3) o'clock in the afternoon of Tuesday the 7th day of April, A.D. 1931, and will be re-opened on Wednesday the 29th day of April, A.D. 1931.

By Order of the Board.

J. G. WALFORD,
Secretary-Treasurer.

Calgary, Alberta,
February 24, 1931.

INVESTMENT — INDUSTRIAL COMPANY

favorably known from Coast to Coast and manufacturing well-established lines, desires to borrow on Buildings and Plant $200,000.00 for the purpose of paying off certain mortgages, reducing Bank Loan, and having in view further extensions. Can give excellent security. Enquiries solicited.

Box 269, The Financial Post, Toronto.

$137,006.45
City of St. Catharines, Ontario
5% COUPON DEBENTURES

SEALED TENDERS, endorsed "Tenders for City of St. Catharines Debentures," will be received by the undersigned until 5 p.m. Monday, 20th April, 1931, for the purchase of—

$102,006.45	Local Improvement 5% Installment Debentures, maturities 1-10 years.
$35,000.00	Hydro Electric 5% Serial Debentures, maturities 1-20 years.
$137,006.45	

1. The debentures will be dated 20th April, 1931.
2. Coupons will be attached for the payment of interest at the rate of 5% per annum, payable half-yearly.
3. Debentures will be payable both as to principal and interest at the Imperial Bank of Canada, Toronto.
4. Denominations of each Debenture will be $1,000.00 and odd amounts.
5. The right is reserved to reject any or all proposals.
6. For further particulars and financial statement apply to the undersigned.

City Treasurer's Office,
St. Catharines, Ontario.
14th April, 1931.

STUART K. WATT,
City Treasurer.

Studebaker Announces

No Mid-Year Model Changes

THE Studebaker Corporation of Canada, *Ltd.*, Walkerville, Ont., has authorized us to announce that it has decided to introduce no new models before next winter.

Free Wheeling with positive gear control was introduced in The President and The Commander July 10, 1930. It was added to The Dictator Eight in September and to the Studebaker Six in January, 1931.

Today, every Studebaker model has this greatest automotive advancement since the electric starter, plus the utmost in chassis improvements and body refinements.

No other make of car offers such a complete line of chassis and body types as does Studebaker. Here is the proof:

THE PRESIDENT EIGHT

The unchallenged Champion — holds more official records than any other stock car

122 horsepower. Free Wheeling

130" Wheelbase	
Roadster*††	$2600
Sedan†	2465
State Sedan*††	2665
Coupe, for 2†	2465
State Coupe, for 4*††	2665

136" Wheelbase	
Tourer, for 7†	2465
State Victoria*††	3065
Brougham**††	3065
Sedan, for 7†	2865
State Sedan, for 7*††	3065
Limousine*††	3465

THE COMMANDER EIGHT

More power per cubic inch than in any other car under $3100!

124" Wheelbase, 101 horsepower, Free Wheeling	
Coupe, for 4†	$2095
Victoria†	2095
Brougham**††	2290
Sedan†	2095
Regal Sedan*††	2290

THE DICTATOR EIGHT

81 horsepower, eight-cylinder performance, safe, distinctive steel body, double-drop frame, comfort, stamina, Free Wheeling

Coupe, for 2	$1425
Coupe, for 4	1495
Sedan	1495
Regal Sedan*	1595

THE STUDEBAKER SIX

Lowest priced car in the world with Free Wheeling—most powerful car at its price—Studebaker Champion quality throughout

70 horsepower—114" Wheelbase	
Tourer	$1155
Roadster	1155
Coupe, for 2	1090
Coupe, for 4	1155
Sedan	1155
Regal Sedan*	1255

All prices at the factory, Walkerville, Ont.
Bumpers, spare tires and gov't taxes extra

**Six wire wheels and trunk rack standard.*
***Six wire wheels, trunk and suit cases, standard.*
† Safety glass windshield.
†† Safety glass throughout at no extra cost.

How *new* is any "New Car" without Free Wheeling?

FRED POWELL MOTORS Limited

472 Yonge St., Toronto — Cars, Busses and Trucks

MADE IN CANADA

Capital: $1,000,000

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Saint John, N.B. St. John's, Nfld.
Charlottetown, P.E.I.
MONTREAL
212 St. James Street W.

INDUSTRIAL ACCEPTANCE CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

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Landscape Architect
923 Castle Bldg., MONTREAL
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Secretary
The Board of Trade
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MONTREAL

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
485 McGILL STREET
MONTREAL
Refineries - Saint John, N.B.

Your Investments

Questions and problems on Canadian investments submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram.

Capital Trust

Capital Trust Corp. is offering its shareholders the right to subscribe for one share of new stock at $100 for each share now held. It appears that the stock can be purchased in the open market at some $25 to $30 under par. What is your opinion of the prospects of this trust company and the advisability of increasing my holdings?

Looking back on the earnings record of Capital Trust Corp. since 1917, one finds that $4 a share was paid in every year to the end of 1926, except 1922 and 1923, and that a 5 per cent dividend has been paid since that time. You can judge of the steadiness of the return and the margin by which such an investment is protected by the following list of earnings on the paid-up capital stock during this period:

Year	Per cent	Year	Per cent
1918	4.8	1925	6.1
1919	5.4	1926	6.3
1920	5.0	1927	7.7
1921	3.8	1928	7.7
1922	7.1	1929	7.8
1923	7.1	1930	7.1
1924	7.1		

Canada Wire & Cable

What are the provisions relating to dividends and conversion attached to the class "A" shares of Canada Wire & Cable Co?

The class "A" common stock of Canada Wire & Cable is now paying $4 per share per annum and the class "B" common stock at the rate of $1.75 per share per annum. The latter dividend has just been started and the company can only pay it after declaring $4 per share on the class "A" stock. Class "A" is convertible into class "B" at any time on the basis of two class "B" shares for each class "A" share. The greater safety attaches to class "A" shares, and the holder thereof can convert into class "B" at a later date if the progress of the company makes such a step advantageous.

Acadia Sugar

I hold a bond of Acadia Sugar Refineries which I wish to dispose of as soon as possible, without loss. What is the present position of the company?

Sugar refining companies in this country have had unfortunate experiences over the last ten years, though results in the past two or three years have been somewhat more encouraging. The earning power of the operators, however, still remains somewhat limited, though sufficient to take care of senior charges. The position of Acadia Sugar does not differ materially from that of the other producers, though through economies in operation and savings along other lines, it has been able to improve its position.

Sun Life

I would like to know how you regard Goodyear Tire & Rubber Co. of Canada and the Sun Life Assurance Co. stocks as investments.

On operations to date Goodyear Tire & Rubber Co. of Canada has been sufficiently successful to warrant considerable confidence in the common stock and its prospects. We are informed that so far this year operations have been on a better basis than during its last fiscal year.

Sun Life Assurance Co. of Canada ranks first in point of volume of business among Canadian insurance companies underwriting life risks. Its revenue, assets and profits have been increasing steadily through this century.

The affairs of the Sun Life Assurance Co. of Canada have been referred to from time to time in The Financial Post and the financial statement for 1930 was fully discussed in our columns. For your information, we may say that the total assets of the company have increased from 1872 to 1929 from $96,462 to $568,197,955 and at the end of 1930 to $588,733,631. Total assurances in force during the same period increased from $1,064,350 to $2,863,701,579. The net premium income increased in this period from $41,673 to $141,097,039. Total net income increased from $98,210 to $186,662,316. Net surplus in 1877 was $43,667 and amounted to $31,751,491 in 1930.

Special attention has been drawn to this company because of its policy of employing a large proportion of its funds in the purchase of common stocks. At the end of 1929 it had 53.9 per cent of its assets in common stocks, 3.7 per cent in preferred stocks, 18.8 per cent in government, municipal and other bonds, 6.6 per cent in mortgages, 2.4 per cent in real estate, 13.4 per cent in policy loans and 1.2 per cent in other assets. Interest earned in 1929 was 6.67 per cent on the mean invested assets and 6.44 per cent in 1930.

Its investment policy has been successful over a term of years, and its interest in common stocks is predominantly in public utility and basic industrial companies. Before the market crash Sun Life had a reserve against market depreciation of $100,000,000.

De Forest Crosley

A client holds shares of De Forest Crosley Radio, Loblaw Groceterias A and Tip Top Tailors preferred. We should appreciate your comments on these stocks.

De Forest Crosley common stock has been quite active on the stock market recently. The company has had impressive growth in sales and profits for the last two years and is expanding in various directions. The energetic management has large scale plans for the future and a speculation of this kind is really based on the confidence of purchasers that the management will be able to secure in the future increasing results at the same rate as in the past.

The only adverse consideration is that in the United States quick obsolescence of radio inventions, over-production, and price cutting changed a profitable industry within the course of one year into one where more than half of the companies went into bankruptcy. These bad features have so far been avoided in Canada.

Loblaw's "A" in the year ending May 31, 1930, earned $1.28 a share and it is paying 80 cents a share. The company has a strong working capital position, it has shown increasing business throughout its whole existence and is one of the most successful grocery companies in Canada. Prospects, however, based on history, appear excellent. The company also has an interest in earnings of Loblaw Groceterias Inc., operating in the United States.

Tip Top preferred stock earned $18.38 on its 7 per cent preferred stock in 1930 as compared with $42.24 in 1929 and $41.86 in 1928. The depression has considerably affected the business of the company, but its working capital position is still strong and it is difficult to say at the moment what the experience in 1931 will be, but the company is well managed and well financed to meet the situation.

Abitibi Preferred

We should be glad to have your opinion of Abitibi Power & Paper Co., 6 per cent preferred as an investment around $46.

Dividends on Abitibi Power & Paper Co. 6 per cent preferred were earned with a slight margin in 1930. This was one of the hardest years for companies such as this for many years. So far in 1931 there has been no alleviation of the newsprint situation and it is possible that earnings have been somewhat under the level for the same period in 1930. We are, therefore unable to pass an opinion as to whether the company would continue payment on the preferred stock if earnings happened to drop below requirements.

In consideration of the record of the company and its strong financial position, it is reasonable to expect that on the long view earnings will be sufficient to pay this preferred stock whatever intermediate fluctuations there may be, unless further troubles not now foreseen should develop in the industry and prices drop to demoralization levels. At the same time the market is weak because a number of holders have sold the stock on general principles until the pulp and paper industry improves.

Canada Power

I hold a bond of the St. Maurice Valley Corp. and the Anticosti Corp. I am told it is doubtful whether the company will continue to pay their interest. I wish you would give me your opinion regarding these bonds. Is there any danger of losing my money? Should I dispose of these or hang on to them a while longer? What are they sold at now?

The whole situation regarding Canada Power & Paper Corp. and its subsidiaries is somewhat involved, and until the management or the shareholders' protective committee issues a statement, we are not in a position to give a definite opinion. The management already has stated that it is doubtful if interest will be paid on the St. Maurice Valley or Anticosti Corp. bonds. No one can say at the moment whether or not the bondholders will lose any money. There is no market for either St. Maurice Valley or Anticosti bonds.

Later on when the company or the protective committee issues a statement, The Financial Post will publish an article reviewing the whole situation and giving an opinion on the outlook for the bonds and stockholders.

Montreal Debenture Corp.

A client has been asked to take over a $1,000 6 per cent 20-year mortgage sinking fund bond, series A, due July 2, 1945, of Montreal Debenture Corp. What is your opinion of this corporation and at what price should a transfer be made?

Although Montreal Debenture Corp. has paid all interest due in the past on its 6 per cent, twenty-year mortgage sinking fund bonds due July 2, 1945, the situation is complicated by the fact that the parent company, Canadian Terminals, has failed to pay interest due on its bond and debenture issues outstanding. It is understood that the whole situation is being overhauled at present with the idea of reorganizing for the benefit of stockholders and shareholders and that the position of each subsidiary is also being considered. In the case of your client, he would be taking a decided chance in acquiring the debentures of this issue because under present circumstances it would be very difficult to obtain a market. In view of the fact that Municipal Debentures Corp., another subsidiary, has had to reorganize its bond structure, the possibility has to be faced that Montreal Debentures Corp. may also have to face such a situation. Its balance sheet and income statements have not been published.

Dominion Alloy Steel Plans Capital Reduction

Shareholders Asked to Approve Cutting Down Preferred Par Value, Elimination of Deferred Dividends and Cumulative Feature — Plan Spending $500,000 for Expansion

Shareholders of Dominion Alloy Steel Corp. are being called to a special general meeting at the offices of the corporation in Sarnia township at 3 o'clock on the afternoon of April 28, 1931, to pass on plans to reduce the capital structure of the company from a total issued amount of $6,885,370 to a total for the new stock of $776,034. Approval of the proposals would mean that 188,537 cumulative 6 per cent preference shares of $10 par value would become the same number of 8 per cent shares of $4 par value, while 500,000 issued common shares of $10 par value would be eliminated entirely.

The authorized stock of the present company amounts to 1,500,000 shares divided equally between common and preferred stock. The unissued preference stock amounting to 561,463 shares will disappear, according to proposals made, and of the 250,000 common shares still unissued 50,000 shares will be eliminated. Of the 200,000 common shares remaining unissued, these will be exchanged for as many shares in the new company. The holders of preference stock in the new company will be given the right to buy this common stock at 5 cents a share in the ratio of one new common share for each five shares of preference stock held. Thus 37,708 new common shares will be reserved for preferred shareholders and ten shares additional will be needed so that directors can qualify. It is understood that all the remaining common stock will be issued as a bonus to interests which are loaning money to the new company for expansion contemplated in the next few months.

Invested $1,324,300 Originally

Shareholders are asked also to agree to the cumulative feature of the preferred stock being dropped and to all arrears due on the present preference stock for the last seven years being dropped.

William B. Boyd, president, in a letter to shareholders urging acceptance of the reorganization proposal states that the original plans of the company contemplated the installation of plant for the production of open hearth steel, steel bars, black sheets and galvanized steel sheets, but it was found impossible to secure all the money required for these purposes. The amount of 324,300 paid up on preference shares was invested in the company's property at Sarnia which consisted of 250 acres of land with 3,000 feet frontage on St. Clair River, black sheet mill building complete exclusive of equipment, galvanizing department having capacity of 25,000 tons annually, warehouse complete including machine shop and stock of raw materials including black sheets, sulphuric acid, muriatic acid, crude oil and zinc.

Operations have been limited to the production of galvanized sheets from black sheets bought in the open market for the purpose. Mr. Boyd reports that this business has been profitable as to turnover (about 15,000 tons annually in recent years) but has not provided sufficient profits to pay the dividends on the existing par value of the outstanding preference shares. The existing par value of these shares, with the accumulated arrears of dividends, makes the outstanding common stock worthless and "prevents any profitable expansion of business."

Mr. Boyd states that the directors believe the proposed capital structure will be of benefit to the corporation and its shareholders and that net earnings will be sufficient to pay 8 per cent on the reduced par value, that is, 32 cents a share of $4 par value instead of 80 cents a share on the present $10 par value. The argument for reorganization is that 32 cents a share can be paid within a reasonable period of time and that 80 cents has no immediate prospects of being paid. The offering of common shares at the rate of 5 cents a share on the basis of one new common share for every five new preference shares held is intended to give the shareholders a chance to participate through common stock in any increased earnings there may be.

Mr. Boyd informed a representative of The Financial Post that in his opinion the recent change in tariff, together with plans for putting in machinery and equipment, will enable the company to earn sufficient to pay dividends on the $4 par value preferred shares in the last quarter of the present year. He estimates Canadian requirements for flat sheets, black and galvanized, in 1930 at 190,114 net tons, and of this Canadian production only amounted to 22.7 per cent. He expects that the new duties, when made effective, will throw most of the foreign production into Canada, and that in this process Dominion Alloy Steel Corp. will be able to increase its annual production from around 15,000 tons annually to 40,000 tons.

New Money Arranged For

It is understood that the remaining portion of the 200,000 no par value common shares, after 37,708 shares are reserved for subscription by the preferred shareholders, will be distributed among those who are putting new money into the company for further expansion. Mr. Boyd, it is stated, himself is contributing $100,000, the bank is loaning some money on security and a considerable part of the machinery is to be paid for by partial payments. The total, The Financial Post is informed, will reach about $500,000 and is all arranged for.

The plans are to put in at once modern furnaces for heating sheet bars to be rolled into black sheets, furnaces of a kind which, it is said, are not apt to be superseded by new inventions for some years at least. Cheap fuel comes from the natural gas produced in Lambton county. The capacity will be 60,000 tons of black sheets annually. The Dominion Government has suspended the operation of the duty against sheets of iron or steel cold rolled until August 21, mainly to enable the company to complete its arrangements for the new operation. Profit per ton handled, it is stated, will be increased by the new operations materially.

Years Ended Nov. 30

	1929 $	1930 $
Net sales	1,224,957	864,355
Freight on sales	14,191	16,441
	1,210,766	847,914
Cost of sales*	1,104,747	784,499
Gross profit	106,018	63,415
Admin. & gen. exp.	60,314	57,688
	45,703	5,727
Disc. on sales†	12,029	4,935
Profit for year	33,684	792
Prelim. organ. exp. w/o	74,367	74,369
Net deficit	40,683	73,577
Def. bro't. mor'd.	266,572	307,257
Deficit carr'd.	307,255	380,834

*Including depreciation. Situation in 1930 was affected by a shrinkage in inventory exceeding $28,000.

†In 1930 this amount was made up of $3,674 cash discount allowed on sales and of $4,456 for interest and bank exchange with deductions of $2,985 for cash discount received on purchases and of $210 for miscellaneous revenue.

Increase in Revenue Expected

On the basis of these two years there would be available no dividends even on the new par value basis. The company, however, would no longer face the necessity of meeting preliminary organization expenses. The growing deficit is entirely wiped out, and its problem therefore becomes one of increasing the profit which was $33,684 in 1929 and $792 (after writing off $28,000 shrinkage in inventory values) in 1930. Full dividend on the new preferred of $4 par value would require $60,332 annually.

The company entered the new year with 2,700 tons of unfilled orders. It shipped 882 tons in January, 683 tons in February, 1,188 tons in March and 1,500 tons in April. It still had 2,081¼ tons of unfilled orders on its books on March 31, and it is thought there has been some increase since then.

Capital Assets are $666,224

Current assets are shown at $362,006 in the financial statement for 1930 and current liabilities at $233,299, making working capital $128,707. Current assets included inventories of $285,789 made up as follows: black sheet supplies $166,378, galvanized sheets $32,787 and goods in transit $86,624, all revalued at $2.35 a ton as base price had fallen from $2.75 during the year. There was cash of $2,111 and $74,106 representing accounts receivable, trade accounts and advances of $176 to employees, less $4,407 reserve for bad debts.

Current liabilities include $30,000 for note payable in respect of land purchase, $200,143 for accounts payable and accrued liabilities and a reserve of $3,156 for "liabilities of predecessor company." There was also a contingent liability of $7,591 for bills under discount.

Capital assets are shown in the latest balance sheet at $666,224 made up as follows: land, $234,436; buildings, $236,264; plant and equipment, $191,034; furniture and fixtures $4,491.

When Women Invest

A WEEKLY FEATURE

A Widow's Funds

I am a widow, about 45 years old. I hold a position in an office where I receive at present $1200. I have been in the office for almost eight years. If I can stay here for 10 years and have to retire on account of illness, I get a small pension, about $20 a month for life. I get a small increase each year for a few years. I am not in good health, and need to save and invest all I can while I am earning a salary, which I have done for eight years, only to find out that my investments are not what one might call first class.

The above mentioned investments are all I have. I have at present some $300 to invest, and thought of buying Simpsons preferred at $89, perhaps four, and later on another one to make the $500 bond. The yield is good, and the price seems low, but I would like advice as to the condition of the stock, it being so low now, and yet the Class B fairly high. I noted in your paper that they were all down for the last three years, this year being the lowest.

Please state if International Utilities Class "B" selling at about $10 now is paying dividends, and if it is considered a good buy. Is class A of this company paying dividends, and if so how much?

Could you also give me information about the following stocks which I own:

Montreal Debenture Series "A" due 1945. I own $500. Coupons have been paid. Is there any market?

Milton Brick preference 2 shares. I received dividends of 2 per cent about a year or so ago. Could these be sold?

Manufacturers Finance Corp. $1,000 collateral trust gold bonds. Coupons have not been paid since April, 1928. The matter is in the courts now. My broker insists it will be settled favorably. Is this true?

I would particularly appreciate getting information re Simpsons Ltd. Pref. now selling at $90 at 6½%, and about $44, with annual dividend of $3.50 International Utility Class A selling at per share. I could take 8 shares of Int. Utility, or 6 shares of Simpsons Ltd. at present price, if you consider either of them quite safe, or would be very glad to know of any other securities for the small amount of money I have on hand, I had the idea of getting into one thing now and buying more as I had the money saved.

The yield is undoubtedly low on Government and provincial bonds, as you say, when compared with the income which you received on Montreal Debenture "A" and Manufacturers Finance Corp. collateral trust gold bonds. But it is evident from your letter that you now realize how much better it would have been for you if you had invested your money in such bonds than in any security of Manufacturers Finance Corp., which is now in liquidation, or in Montreal Debenture Corp., which has been paying its coupons but whose securities are not at present easily marketable. Your Government bonds would have still had high marketability.

Your programme is a highly commendable one, if properly directed. You desire securities with a higher return than Government bonds but which are well protected so far as past record and present earnings can demonstrate it.

Simpson's Ltd., preferred stock, now selling at $90 a share and paying 6½ per cent on par value, has a total issue outstanding of $11,250,000. Actual earnings in the year ending January 28, 1931, were $11.95 and in the previous year $10.11. It is, therefore, fairly well protected. The company has outstanding management. International Utilities no par value class "A" stock is outstanding to the extent of 189775 shares. Under the participating provision by which this common stock shares with class "B" after $3.50 has been paid, the company earned $3.50 a share on the class "A" stock and 64 cents a share on the class "B." At the end of 1929 the company showed a deficit in working capital, that is, current liabilities exceeded current assets by $500,072. Since that time the company has sold some of its most important subsidiaries in Canada and the United States and it now has a strong working capital position, current assets of $8,088,021 being 4.58 times current liabilities of $1,764,306. This year the company has formed three subsidiaries to buy in the public utility, investment trust and chain store fields, respectively. In other words, it will be an investment trust for securities of companies operating in these fields. Naturally purchase of this stock evidences faith that the company is likely with these assets to be a successful investment trust.

Montreal Debenture Corp. may be considered in an uncertain state so far as its series "A" debentures are concerned. The parent company, Canadian Terminal System, has defaulted on its bond interest and one other Canadian Terminal subsidiary. An early report as to the condition of Montreal Debentures Corp. would under the circumstances be appreciated by owners of debentures. We have heard no recent quotation for Milton Brick preference shares, but the common has been offered by unlisted security dealers at 21 asked.

Manufacturers Finance Corp. collateral trust gold bonds, as you understand, depend a good deal on the result of judgment in the case taken by the liquidator against insurance companies. When a final verdict is received and if the insurance companies pay over the amounts assessed against them, there might be something for the collateral trust bonds, but the liquidator will apprise all creditors if anything is made available.

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MONTREAL CURB MARKET
MONTREAL
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MAPLE LEAF
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HIGHEST QUALITY—BEST SERVICE
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(ALL-FORMULAE)
TRADE MARK
We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.
Canadian Industrial Alcohol Co., Limited
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

LAKE OF THE WOODS MILLING CO., Ltd.
Makers of FIVE ROSES FLOUR
MILLS AT
Montreal, Brantford, Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 20,000 BARRELS
President and Managing Director FRANK S. MEIGHEN, C.M.G.
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Fraser Companies Limited.
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A few of the companies on which news was reported:

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Stocks

WEEK ENDING APRIL 13

Range 1931 High	Range 1931 Low	Divd. Rate $	Yield in % Apr. 11		Close Apr. 6 (or last)	Week Ending Apr. 13 High	Low	Close
13¾	7	.	...	Abitibi, c.	9	9	9	7⅛
50	28½	6	20.00	Do. pref.	39¼	40	28½	32
105	105	7	6.66	Do. pref.	105	...	..	..
8	7	.	...	Agnew Surp., c.	7½	7	7	7
88	87	7	7.95	Do. pref.	88	..	..	..
6¼	2½	.	...	Alta. Pac. Grain	2½	..	..	..
30	25	.	...	Do. pref.	29	..	..	..
3⅛	3	.	...	Amal. Elec.	3½	..	..	..
18	16	.	...	Do. pref.	16	..	..	..
3½	2½	25c	...	Anglo Nor. Hold.	3	..	..	..
.50	.25	.	...	Asbestos, c.	.50	.45	.45	.45
2	1	.	...	Do. pref.	1½	..	..	..
9	6	1	11.11	Assoc. Brew.	9	9	9	9
70	67	7	10.37	Do. pref.	67½	..	..	..
10	8½	.	...	Assoc. Can.	8½	..	..	..
69	65	4+50	6.81	Assoc. Tele.	66	..	..	..
87	87	6	6.89	Do. pref.	87	..	..	..
37¼	12¾	.	...	Atlan. Sugar	30¼	31	28½	28¾
105	79¾	.	...	Do. pref.	101½	100	100	100
174	168¼	10	5.74	Bk. Can. Nat.	174	..	..	..
303	279	12+2	4.74	Bk. of Montreal	297	296	294	295
326	315	16	5.02	Bk. of N. Scotia	318	320	318	320
238	217	12+1	5.53	Bank of Toronto	234	235	233	235
24	22½	1.50	6.25	Barcelona Tr.	24	..	..	..
5¼	4¼	.	...	Bathurst Pr.	5	4½	4¼	4¼
4	2	.	...	Do. (B)	2½	2	2	2
x26	26	.	...	Bawlf Grain	..	..	..	..
25	20	.	...	Do. pref.	20	..	..	..
12	6	40c	6.66	Beath & Sons	12	8	6	6
20	15	2	11.76	Beatty Bros.	16	17	17	17
80	75	6	8.00	Do. pref.	75	75	75	75
8½	7	.	...	Beauharnois	8	8	7	8
90½	90	7	7.73	Belding Cort.	90½	..	..	..
x110	98½	7	...	Do. pref.	..	..	..	..
55	40	.	...	Belgo C. P. pf.	40	..	..	..
151⅞	141	8	5.44	Bell Telephone	147	147½	146½	147
4½	4½	.	...	Biltmore Hats	4½	..	..	..
60	60	7	11.66	Do. pref.	..	60	60	60
x22	14	.	...	Bissell	..	..	..	..
x97	88	.	...	Do. pref.	..	..	..	..
20	12	2	10.00	Blue Ribbon Cp.	18	20	20	20
38	30	3.25	8.55	Do. pref.	38	38	38	38
22½	18	2	10.52	Brant. Cd. pf.	19	19	19	19
28½	20¾	2†	...	Brazilian	22⅛	22½	20⅞	21¾
x2	⅞	.	...	Brew. & Distil.	..	..	..	..
16½	10	80c	6.73	Brit. Amer. Oil	12	12	10	11⅝
3½	2	.	...	B. C. Packers	2	2	2	2
22	10	.	...	Do. pref.	10	..	..	..
42½	34¼	2	4.93	B.C. Power	40½	40½	40	40
18	11½	.	...	Do. (B)	14¾	14¾	14	14
2	1	.	...	B.E. Steel	1	..	..	..
21	18½	.	...	Do. 1st pref.	18½	..	..	..
3½	2½	.	...	Do. 2nd pref.	3	..	..	..
8	6	.	...	Bruck Silk Mills	6½	6½	6½	6½
26	22½	2	8.16	Building Prod.	24½	25	23	24
44¼	40	3	7.40	Burt, F. N.	42	41	40	40
146	145	6	4.13	Calgary Pr.	145	..	..	..
7⅞	6½	50c	7.40	Can. Bread	6¾	6¾	6½	6½
100	95	7	7.05	Do. pref. (A)	100	99¼	99¼	99¼
80	62	7	10.00	Do. pref. (B)	71	70	70	70
13	8¾	1	8.00	Canada Bud.	12	12½	11¾	12½
18⅞	11⅞	.	...	Can. Cement	16½	17	16	16¾
96½	91	6.50	6.73	Do. pref.	95½	96½	95	95½
b40¼	29⅞	3	8.27	Canada Dry	35½	37	35⅝	37
12	10	1.50	15.00	Can. Forg. (A)	10	10	10	10
x16	5	.	...	Do. (B)	5	..	..	..
68	67	3	4.41	Canada Iron	68	..	..	..
76	75	6	7.89	Do. pref.	76	..	..	..
16½	12½	1.50	10.00	Can. Malting	15	15	13¾	13¾
17½	15	80c	4.70	Can. Nor. Pr.	17	17	16½	17
106½	104	7	6.58	Do. pref.	106¼	..	..	..
6	2	.	...	Can. Paving	4¼	4½	4	4¼
51	50	7	14.00	Do. pref.	50	..	..	..
216	206	12	5.63	Can. Perman.	215	213	213	213
4½	1	.	...	Can. Pr. & Pap.	1½	1½	1	1
9	4⅝	.	...	Can. Steam.	7½	7	7	7
27	16	.	...	Do. pref.	22	20¼	20	20
20	17½	1.60	8.88	Can. Vinegar	18	18½	17½	18
70	65	4	5.71	Can. W. Cable	68	70	68	70
30½	28¾	1.75	5.83	Do. (B)	30	30	29¾	30
16	10	.	...	Can. Bakeries	12	..	..	..
x99	72	7	...	Do. pref.	..	..	..	..
232	225	12+1	5.70	Can. Bk. of Com.	226	228	225	227
9	9	1	...	Can. Brewing	9	..	..	..
36½	32	2.50	7.57	Can. Bronze	32	33	33	33
110	109	7	6.42	Do. pref.	109	..	..	..
13¼	10¼	50c	4.21	Can. Canners	12	12½	11¾	11¾
92¼	89½	6	6.55	Do. 1st pref.	92	92	91½	91½
14	11⅞	80c	6.66	Do. 2nd pref.	13	12¾	11⅞	12
19	16	1.75	10.76	Can. Car & Fdy.	16¾	16⅝	16	16¼
25¼	23½	1.75	7.29	Do. pref.	23½	24	23½	23½
14½	10	.	...	Can. Celanese	12	12	12	12
70½	59	3.50	...	Do. pref.	68	70½	68	70½
58	58	5	8.62	Can. Convert.	58	..	..	..
x50	45	.	...	Can. Cottons	..	..	..	..
55	51	6	11.75	Do. pref.	51	51⅛	51⅛	51⅛
36½	25½	3	9.02	Can. Dredge	33½	33¾	33¼	33¾
92	92	7	7.60	Do. pref.	92	..	..	..
81⅝	79	6	7.59	Can. Fairb., p.	79	..	..	..
11	11	.	...	Can. For. Inv.	11	..	..	..
x90	74	.	...	Do. pref.	..	..	..	..
300	246	4	1.42	Can. Gen. Elec.	267	280	280	280
62¾	59½	3.50	5.57	Do. pref.	62½	62¾	61½	62
80	70	6	7.76	Can. Hyd. E. pf.	78	78	74⅝	75
5¼	3	.	...	Can. Ind. Alc.	4	4¼	4	4¼
3½	2¼	.	...	Do. (B)	3	..	..	..
5	4¾	.	...	Can. Int. I. Tr.	5	..	..	..
70	69	5	7.14	Do. pref.	70	..	..	..
42	15	1	...	Can. Lt. & Pr.	40	38	38	38
18	18	.	...	Can. Locomo.	18	..	..	..
25	23	.	...	Do. pref.	25	25	25	25
b4½	1⅞	.	...	Can. Marconi	3¼	3⅜	3⅛	3¼
23½	16	1	6.25	Can. Oil	17½	16	16	16
120	115	8	6.95	Do. pref.	115	..	..	..
45¼	38	2.50	6.45	Can. Pacific	40	40½	38	38¾
6½	4	.	...	Can. Vickers	5	5	4¾	4¾
35	22	.	...	Do. pref.	30	30	30	30
6	3½	50c	8.69	Can. Wineries	5⅝	5¾	5⅛	5⅛
16	11½	1.50	13.04	Can. Wire Box	11½	11½	11½	11½
3	1⅞	.	...	Carling Brew.	2¼	2¼	2	2⅛
x27	20	.	...	Catelli Mac. A.	..	..	..	..
x10	9	.	...	Do. (B)	..	..	..	..
301	290	12+3	4.97	Cent. Can. Loan	301	..	..	..
5.35	2.70	.	...	Chem. Research.	3.25	3.25	2.85	3.00
64	57	2	3.33	City Dairy	64	60	60	60
x155	120	7	...	Do. pref.	..	..	..	..
20.25	16.00	30c(c)	...	Cities Service	17.50	18.00	17.75	18.00
10	8½	60c	6.66	Cockshutt Plow	9	9¼	8½	8½
3¼	3	.	...	Comm. Alc.	3¼	..	..	..
9	8	1	...	Conduits	8½	..	..	..
94	84	7	7.60	Do. pref.	92	..	..	..
12⅞	8	1	10.00	Cons. Bakeries	10	10¼	10	10
3	1½	.	...	Cons. Food Prod.	1¾	..	..	..
6	4½	.	...	Do. (A)	4½	..	..	..
31	28	2	6.66	Cons. Press	30	..	..	..
80	73	7	9.33	Cons. Sand, pf.	75	..	..	..
188¼	133	12.50	8.33	Cons. Smelters	159	155	149½	150
186½	180¾	10	5.37	Consumers Gas	186	186½	185¼	186½
x35	30	.	...	Cooksville Co.	..	..	..	..
x85	85	4	...	Do. pref.	..	..	..	..
20½	16½	.	...	Corporate Steel	19	19	19	19
x90	90	.	...	Corr. P. Box, p.	..	..	..	..
2.10	1.25	.	...	Cosgrave Br.	1.50	..	..	..
9	6	.	...	Cosmos Imp.	8	8	8	8
93	88	7	7.95	Do. pref.	88	88	88	88
6½	4	.	...	Crown Dom. Oil	6½	5	5	5
15	8½	75c	...	Crow's N. Coal.	8½	..	..	..
.60	.25	.	...	Curtiss-Reid	.25	..	..	..
x8	5	.	...	Do. pref.	..	..	..	..
5	4	.	...	David & Frere B	5	..	..	..
18⅝	10¼	80c	4.44	De Forest	18	18	17¾	17¾
x16	12	.	...	De Havilland	..	..	..	..
x15	8	.	...	Disher Steel	..	..	..	..
x18	17	1.50	...	Do. pref.	..	..	..	..
12⅞	9⅛	1	8.51	Distill-Seagram	11¾	12	10⅞	11½
223	218	12+1	5.87	Dominion Bank	223	223	221	221
55¾	39	3.60	7.87	Dom. Bridge	48¼	48¼	39	43½
40	40	.	...	Dom. Coal	40	..	..	..
50	30	2.40	7.27	Dom. Engineer.	33	33	30	30
x14	10	.	...	Dom. Foundries	..	..	..	..
x90¼	76	.	...	Do. pref.	..	..	..	..
126	110	7	5.64	Dom. Glass	123	124	124	124
122	119	7	5.73	Do. pref.	121¼	122	122	122
20	20	.	...	Dom. Iron, pf.	20	..	..	..
12¼	10	.	...	Dom. Pr. Stubs.	12	12¼	12¼	12¼
24	24	.	...	Dom. Steel, pf.	24	..	..	..
8¼	5	.	...	Dom. St. & C. B.	6	5⅞	5½	5½
24¼	13¾	1.20	5.10	Dom. Stores	22¾	24¼	23	24
14	8¾	.	...	Dom. Tar & Ch.	13	13½	13	13
95	85	6.50	7.22	Do. pref.	90	95	90	91
83	76	5	6.28	Dom. Textile	80⅛	80	79	79½
123	120	7	5.78	Do. pref.	121	121	121	121
12	10	.	...	Donnacona	10	..	..	..
7	4	.	...	Dryden Paper	4½	5	4	5
7½	6	.	...	Duff. Paving	7½	..	..	..
80	76	7	9.18	Do. pref.	76¼	..	..	..
11¾	4	40c	6.15	Durant Motors	8	8	6½	8
25½	19	1	4.44	East. Dairies	24	22½	22½	22½
x35	26	1+1	...	East. Steel	..	..	..	..
98	97	7	7.21	Do. pref.	97	97	97	97
x25	18	.	...	East Koot. Pr.	..	..	..	..
97	94⅝	7	7.21	Do. pref.	97	..	..	..
x34	28½	2	...	East. Theatres	..	..	..	..
x85	80	7	...	Do. pref.	..	..	..	..
3¾	3¾	.	...	Easy Washer	3¾	..	..	..
37	34¾	2.50	6.75	Economic Inv.	37	..	..	..
15	15	.	...	Edmonton Da'y	15	..	..	..
80	80	6.50	8.12	Do. pref.	80	..	..	..
8	6¾	.	...	Enamel & Heat.	8	8	8	8
40	30	3	7.89	Eng. Electric	40	38	38	38
16	15	.	...	Do. (B)	15	..	..	..
39½	33½	2	5.97	Fam. Players	33½	..	..	..
33½	33½	2	5.97	Do. Vot. Trust	33½	..	..	..
18	11	1	6.89	Fanny Farmer	15	14½	14¼	14¼
34	28	2.40	7.08	Do. pref.	33⅞	..	..	..
x.25	.10	.	...	Federal Distil.	..	..	..	..
x83½	75	.	...	Firstbrook Box	..	..	..	..
29¼	21	1.20	4.70	Ford Motors (A)	26¼	26½	25	25¾
10	10	.	...	For. Pr. Secs.	..	10	10	10
16½	14	1	6.25	Foundation Co.	16	..	..	..
3	1¼	.	...	Fraser Cos.	1½	1½	1¼	1¼
8	6	.	...	Frost Steel	7½	8	7	7
96½	93	7	7.52	Do. pref.	95	95	93	93
7¼	4½	.	...	Gen. Ste. Wares.	5½	5½	5¼	5¼
119	90	5+2.50	6.81	Goodyear Tire	110	112	110	110
107⅞	101½	7	6.73	Do. pref.	105	105½	104	105
93¼	93¼	7	7.50	Gould Pumps, p.	93¼	..	..	..
¾	½	.	...	Gt. W. Saddlery	½	..	..	..
8	6	.	...	Do. pref.	8	..	..	..
31	26	2	7.27	Gurd, Chas.	28½	28	27	27
x110	108	7	...	Do. pref.	..	..	..	..
12⅞	9	80c	8.42	Gypsum, Lime	9	9½	9	9½
20¼	14½	1	6.84	Ham. Bridge	16	16	15¼	15½
80	73	6.50	8.22	Do. pref.	75	79	74	79
18	15	2	11.11	Ham. Cotton, pf.	17½	18	17½	18
4	3	.	...	Ham. Un. Theat.	3½	..	..	..
60	55	7	12.72	Do. pref.	55	..	..	..
12	4	.	...	Hayes Wheel	10	..	..	..
x95	80	.	...	Do. pref.	..	..	..	..
x50	50	.	...	Hillcrest Coll.	..	..	..	..
x91	91	7	...	Do. pref.	..	..	..	..
4	4	.	...	Hinde & Dauch.	4	..	..	..
x120	120	.	...	Holt Renfrew	..	..	..	..
x96¼	90	7	...	Do. pref.	..	..	..	..
7	7	.	...	Honey Dew	7	..	..	..
56½	51	7	12.72	Do. pref.	53¼	55	51	55
6	4	.	...	H. Smith Pap.	5½	4¾	4	4
45¼	45	6	13.26	Do. pref.	45	45¼	45	45
20	18	2	10.00	Humberstone Sh.	20	20	20	20
23½	18	1.40+50c	8.08	Hunt (A)	23½	..	..	..
23¼	19	1.40+50c	8.17	Do. (B)	23¼	..	..	..
150	148	8	5.33	Huron & Erie M.	150	..	..	..
29¼	29	.	...	Do. 20% paid.	29	..	..	..
29⅞	22	1.40	5.65	Hydro Electric	25	25	24¾	25
225	217	12+1	5.82	Imperial Bank	223	223	220	220
18⅜	14¾	50+50c	6.66	Imperial Oil	15	15¾	14¾	15⅝
10½	9	35+20c	5.36	Imperial Tob.	10	10½	10	10¼
29	25	2	7.40	Int. Hyd. E., A.	27	..	..	..
103	100	7	6.88	Inter. Mill., pf.	100	101¾	101¾	101¾
x92	88	6	...	Do. Series A.	..	..	..	..
20½	13⅞	60c	3.33	Inter. Nickel	17⅝	18	16¾	18
10	10	1	...	Inter. Paints A.	10	..	..	..
b10	6⅞	.	...	Int. Pap. & Pr.	7¾	8½	7½	7½
b6	5	.	...	Do. (B)	6	..	..	..
b4½	2⅜	.	...	Do. (C)	3⅝	[illegible]	2⅞	3
b43½	26⅛	7	...	Int. Paper, pfd.	39¾	38¾	35	35
15½	11½	1	8.00	Inter. Petc.	11⅞	12½	11¾	12
8	6	.	...	Inter. Power	6½	8	6½	7
70⅛	66	7	10.37	Do. pref.	66¾	67½	67	67½
45	38	3.50	7.95	Int. Util. (A)	43¾	45	43	43¼
11	5¾	.	...	Do. (B)	9	9⅜	9	9⅜
40	40	1	2.50	Jam. Pub. Ser.	40	..	..	..
109	107	7	6.54	Do. pref.	108	107	107	107
5	3¾	.	...	Kelvinator	5	..	..	..
79	79	7	8.86	Do. pref.	79	..	..	..
x40	40	.	...	King Ed. Hotel	..	..	..	..
24	12	.	...	Lake of Woods.	14	14	12	12
101	100	7	7.00	Do. pref.	100	..	..	..
8¾	5	.	...	Lake Sup. Corp.	8	..	..	..
x190	180	8	...	Landed Banking	..	..	..	..
46	38	3	6.97	Laura Secord	40½	43	42	43
16	10	1	6.66	Lindsay, C. W.	15	..	..	..
72½	69	6.50	9.42	Do. pref.	70	69	69	69
14¾	11	80c	5.81	Loblaw (A)	14	14¼	13	13¾
14¾	10	80c	5.71	Do. (B)	13½	14	13	13
x2¾	2¾	.	...	Loews, London	..	..	..	..
25	10	.	...	MacKin. Steel	20	..	..	..
95	92	7	7.60	Do. pref.	92	..	..	..
x36	20	.	...	Manitoba Pr.	..	..	..	..
8	6	.	...	Maple Leaf	6	..	..	..
40	32	.	...	Do. pref.	38	38	38	38
32	30	.	...	Marcus Loew's	30	30	30	30
71	71	7	9.85	Do. pref.	71	..	..	..
10½	6	.	...	Massey-Harris	7¾	7½	6¾	7
22½	16⅛	60c	3.63	McColl. Fron.	16½	16⅞	16⅛	16½
80	73	6	7.59	Do. pref.	78¼	79	79	79
45	43	.	...	Mexican L. & P.	45	..	..	..
x25	25	.	...	Mercury Mills	..	..	..	..
x89	58½	.	...	Do. pref.	..	..	..	..
40½	40½	1	...	Mitchell, J. S.	40½	..	..	..
x104	104	7	...	Do. pref.	..	..	..	..
20	15	1	5.55	Mitchell, Robt.	19	19	18	19
1	1	.	...	Monarch Knit.	1	..	..	..
x65	54	.	...	Do. pref.	..	..	..	..
95½	90	6	6.66	Montreal Cot.	93½	93	90	90
102	98¼	7	7.00	Do. pref.	100	102	100	100
3½	3	.	...	Montreal Ex.	3	..	..	..
16	15⅞	.	...	Mont. Is. Pr.	16	..	..	..
68¼	54¼	1.50	2.38	Mont. L. & Pr.	62¼	63½	61¾	63
49½	49	3+25	6.63	Montreal Loan	49	..	..	..
52	48	3.20	6.27	Montreal Tele.	50	51	51	51
177	165	10	5.71	Mont. Trams.	175½	175	175	175
17¾	15½	1	6.25	Moore Corp., c.	15⅞	16	15½	15½
108½	101	7	6.79	Do. (A)	105	105¾	103	103
126	115	7	5.93	Do. (B)	118	118	118	118
x10	10	.	...	Mt. Royal Hotel	..	..	..	..
x49	49	2	...	Do. pref.	..	..	..	..
3¼	2	10c	...	Muirheads	2½	..	..	..
8½	6	75c	10.00	Do. pref.	7¼	7½	7½	7½
35¾	26	1.60	4.67	Nat. Brew.	32⅞	34¼	32¾	33½
34¾	29	1.75	5.30	Do. pref.	33	33	33	33
x10	8	.	...	Nat. Brick	..	..	..	..
19	9	.	...	Do. pref.	9	9	9	9
.50	.25	.	...	Nat. Distilleries	.50	..	..	..
42	33½	2	5.79	Nat. Steel Car.	36	35½	34	34
360	300	14	4.66	National Trust	300	..	..	..
x21	17	1.50	...	Niag. W. Weav.	..	..	..	..
36	35	3	8.33	Do. pref.	35	36	36	36
x90	89¾	.	...	Nor. Mex. Pr.	..	..	..	..
x90	69½	7	...	Do. pref.	..	..	..	..
6.00	5.00	.	...	North Star Oil	5.00	..	..	..
4.95	4.60	35c	7.29	Do. pref.	4.60	4.80	4.60	4.60
x25	22¼	.	...	N.S. Steel, pref.	..	..	..	..
285	258	8+5	4.81	Ogilvie Flour	275	270	270	270
130	125	7	5.38	Do. pref.	130	130	130	130
21	19	6	3.00	Ont. Eq. 10% p.	20	..	..	..
118	113	6	5.31	Ontario Loan	113	..	..	..
5½	5	.	...	Ont. Silknit	5	..	..	..
16	13	1.60	12.30	Ont. Steel	13	..	..	..
x105	105	7	...	Do. pref.	..	..	..	..
1¼	1	.	...	Orange Crush	1	..	..	..
60	50	7	13.20	Do. (A)	51	53	50	53
5½	4	.	...	Do. (B)	4	..	..	..
98	90½	6	6.54	Ott. L. H. & Pr.	91¾	..	..	..
104	102¼	6.50	6.31	Do. pref.	103	..	..	..
25	25	.	...	Ott. Traction	25	..	..	..
92⅞	82	5	5.58	Page Hersey	91	92	89	89
49	41½	4	8.16	Paramount	48⅞	..	..	..
x50	25	.	...	Paton Mfg.	..	..	..	..
x95	95	7	...	Do. pref.	..	..	..	..
½	¼	.	...	Pelissiers	¼	..	..	..
25	25	.	...	Do. pref.	25	..	..	..
73	53	4	7.27	Penmans	55	55	55	55
101	100	6	6.00	Do. pref.	100½	100½	100	100½
.75	.50	.	...	Perfection Glass	.50	.75	.75	.75
29	18	2	7.27	Photo Eng.	28	28	27	27
40	10	.	...	Port Alfred, pf.	28	10	10	10
x92	84	7	...	Porto Rico P. p.	..	..	..	..
b39½	24	.	...	Postal Tele.	..	..	..	..
68½	50¾	2	3.34	Power Corp.	59	60	58½	59
102	98	6	6.08	Do. pref.	99½	99½	99	99½
4½	4	.	...	Prairie C. Oil.	4	4	4	4
16	10¾	50c	3.57	Pressed Metals	14½	14	13½	14
42¾	37	2	5.33	Price Bros.	38	37¾	37	37
99	88¾	6.50	7.30	Do. pref.	89	89	88¾	89
49	40	2.50	5.61	Quebec Power	45	45	43½	44
110	105	7	6.66	Real Estate Ln.	106	105	105	105
3	2½	.	...	Regent Knit	3	..	..	..
10	5½	.	...	Reliance Grain	10	..	..	..
16	12½	2	15.38	River. S. Mills	13	13	13	13
19½	15⅛	1.50	7.89	Robinson Cone	19	19	19	19
16½	11½	1.20	10.00	Rogers Majestic	11½	12½	11½	11¾
291	272	12+2	4.90	Royal Bank	288	288	285	285
84	80	7	8.33	Ruddy, E. L., p.	84	..	..	..
77¾	77¾	5	6.43	Russell Motor	77¾	..	..	..
95	90	7	7.77	Do. pref.	90	90	90	90
7	7	.	...	Sarnia Br. (A)	..	7	7	7
x12	5	.	...	Do. (B)	..	..	..	..
36¾	19¾	1.60	7.44	Serv. Stn. Eq.	22½	23	19¾	20½
90½	80	6	7.50	Do. pref.	82	80	80	80
59½	49¼	2.50	4.71	Shawinigan	53¾	54¼	52½	53
29½	26	1.60	6.15	Sher.-Wms.	26	26	26	26
120	117	7	5.83	Do. pref.	119	120	120	120
22	18¼	2.50	13.15	Simon & Son	19¼	19¼	19	19
92	88¼	7	7.60	Do. pref.	88¼	92	92	92
92½	88	6.50	7.21	Simpsons, Ltd.	89	90	89	89½
44½	44½	2	4.49	Do. (A)	44½	..	..	..
35½	24½	.	...	Do. (B)	29	..	..	..
108	100	6	5.55	Simpson, R.	108	..	..	..
4	2	.	...	St. Law. Corp.	2½	2¾	2	2
12	6	1	16.66	Do. (A)	7½	6¼	6	6¼
20	16¼	.	...	St. Law. Pap.	20	..	..	..
85	82	7	8.23	Do. pref.	85	..	..	..
30⅛	19½	3	14.28	St. Law. Pap. p.	25	23	30½	21
80	19	.	...	St. Maur. V. pf.	19	..	..	..
323	30	1	3.33	So. Can. Pr.	32	30½	30	30
106¼	104¾	6	5.71	Do. pref.	105	105¼	104¾	105
x14	3	.	...	Sprucolite	..	..	..	..
16⅛	11½	2	14.28	St. Pav. & Mat.	13	14	12½	14
80	75	7	9.09	Do. pref.	77	..	..	..
1	1	.	...	Stanfords	1	..	..	..
15	8	1	...	Stand. Chem.	8	..	..	..
9⅞	7	.	...	Stand. Steel	7⅛	7⅞	7⅞	7⅞
35	35	3	8.57	Do. pref.	35	..	..	..
42¼	37	1.75	4.48	Steel of Canada	39¼	39¼	38½	38½
37	33	1.75	5.14	Do. pref.	34¼	34	33	34
4½	2⅛	.	...	Sterling Coal	2⅛	..	..	..
32½	28	1	4.34	Super. Pet. Ord.	24	24	23	23¼
105	100	7	6.93	Do. pref.	101	101	101	101
31	24	1	4.16	Do. com.	29	24	24	24
49	46	.	...	Tamblyn	46	..	..	..
104½	101	7	6.79	Do. pref.	104½	103	102½	102½
28	20	3.50	14.00	Thayers, pref.	25	..	..	..
13	12	.	...	Tip Top Tailors.	12¾	12	12	12
90	87½	7	7.77	Do. pref.	90	90	90	90
22	21½	.	...	Tooke Bros.	21½	..	..	..
67	65	7	10.76	Do. pref.	65	..	..	..
15	9½	.	...	Tor. Elevators	12½	13½	11	13
235	227	12	5.26	Tor. Gen. Trusts	230	230	228	230
115	108	6	5.31	Toronto Mtge.	112	113	113	113
3	2	.	...	Traymore	2	..	..	..
12½	11	1.40	11.66	Do. pref.	11½	12	12	12
126	122	7	5.73	Tuckett Tob., pf.	123	122	122	122
17¼	9½	4 (scrip)	..	Twin City	10¼	11	10	10
b62	41¼	7	...	Do. pref.	..	..	..	..
16	13	1.60	11.42	Union N. Gas.	13½	14	14	14
100	98	7+1	8.16	Union Trust	98	..	..	..
8	7		...	United Fuel	7	..	..	..
65	40	4	10.00	Do. pref.	45	45	40	40
49⅝	49⅝	2	...	United Secs.	..	49⅝	49⅝	49⅝
24¼	8¼	.	...	Viau Biscuit	18	16	16	16
85	75	7	8.43	Do. pref.	85	83	83	83
30	25	.	...	Wabasso	25	25	25	25
8⅝	6⅛	1	13.57	Walker-Good.	7½	7½	7	7¼
7¾	4	.	...	Waterloo Mfg.	5	6	5½	5½
45	30	1	2.50	Weston	38	40	40	40
90	84	7	7.77	Do. pref.	89	90	90	90
17½	12¾	1.40	10.98	West. Can. Flour	14	12¾	12¾	12¾
96	85	6.50	7.22	Do. pref.	90½	90	90	90
17	10	.	...	West. Grocers	15	17	10	17
55	45	7	15.55	Do. pref.	47	47	45	47
85	85	6.50	7.64	W. St. Prod. pf.	85	..	..	..
x9	9	.	...	Whittall Can	..	..	..	..
13	10	.	...	Windsor Hotel	12	..	..	..
73	71	6.50	9.02	Do. pref.	72	72	72	72
21½	14	.	...	Winnipeg Elec.	18½	21	20	20½
81½	72	7	9.33	Do. pref.	75	75	75	75
‡30	30	.	...	Woods Mfg.	..	..	..	..
40	36	.	...	Do. pref.	36	..	..	..
80	80	7	8.75	Wood. Alex. J. p	80	..	..	..
x2½	1½	.	...	Zimmerknit	..	..	..	..
7	7	.	...	Do. pref.	7	..	..	..

x Quotations for 1930. No sales recorded in 1931 to date.
a. Stock dividend.
b. New York quotations.
‡ Quotations for 1925.
c 2½c monthly plus stock dividend of .005% monthly.

Winnipeg Stock Exchange

April 7

	Bid	Ask		Bid	Ask
Beaver Fire	..	120	Home Investment	..	65
Beaver Lumber c.	..	18½	Monarch Life	30	..
Do., pref.	90	..	North. Can. Mtg.	..	25
Can. Amer. Tr. shs.	..	651	Northern Trust	..	40
Can. Fire Ins.	82½	85	Traders Bldg.	85	90
Can. Indemnity	125	..	Un. Gr. Growers	14	14½
Crescent Creamery.	90	91	West. Breweries	3½	4
Gt. West Life	490	..			

Active Current Bond Prices

	Bid	Asked	Yield
Dominion of Canada 5½/33	104	104.50	3.60
Dominion of Canada 5½/34	104	104.50	4.10
Dominion of Canada 5/43	105	105.50	4.40
Dominion of Canada 4½/46	101.25	101.75	4.40
C. N. R. 4½/54 (D. of Canada)	99.75	100.50	4.45
C. N. R. 5 /54 (D. of Canada)	105	106	4.55
C. N. R. 4¾/55 (D. of Canada)	102.50	103.50	4.40
C. N. R. 4½/56 (D. of Canada)	99.75	100.50	4.45
C. N. R. 5 /69 (D. of Canada)	106	107	4.55
Province of Ontario 4½/44	99.25	100.75	4.45
Province of Ontario 5 /48	104.50	105.75	4.45
Province of Ontario 4¾/70 (Hydro)	102.75	103.50	4.55
Province of Quebec 4½/50	99.50	101	4.40
Province of Quebec 4½/56	99.50	101	4.40
Abitibi Power & Paper 5/53	66	68	8.10
Algoma Steel Corporation 5/62	63	67	7.80
Argentine Gov't. 6/58 Ser. B	96	97	6.20
Bell Telephone Co. of Canada 1st, 5/57	105	106.50	4.55
Brazil, U. S. Ext. S. F. 6½/57	57	59	10.50
British American Oil 5/45	98	100	5.00
British Columbia Power 5½/60	103	104.50	5.15
British Columbia Telephone 5/60	99.25	101.25	4.90
Calgary Power 6/60	95.50	97	5.20
Canada Cement 1st Mtge. S. F. 5½/47	102	103	5.25
Canada Northern Power 5/53	91	93	5.55
Canada Light & Power 1st. S. F. 6/49	96	98	5.15
Canada Steamship Lines 1st & Gen. 6/41	67	72	9.95
C. P. R. Collateral Trust 5/54	104	105.50	4.40
C. P. R. Secured 4½/44 Notes	99	100	4.50
Chile Republic Ext. S. F. 6/60	80	83	7.40
Colombia Republic Ext. S. F. 6/61	69	71	8.60
Davies, Wm. 6/42	93	97	6.30
Dominion Steel Corporation 6/39	80	85	8.65
Dominion Square Corporation 6/48	78	82	6.80
Dominion Tar & Chemical 6/49	101.75	103.25	5.70
Dominion Textile 6/49	105	106	5.46
Duke Price Power 1st, 6/66	105	106	5.60
Eastern Dairies, Convertible 6/49	98	100	6.00
Eaton, T. Realty, 5/49	95	96.50	5.30
Foreign Power Securities Corp. 6/49	95	97	5.25
French National Mail Ext. S. F. 6/52	103.50	105	5.60
Gatineau Power, 1st Mtge. 5/56	92	94	6.50
Gatineau Power, S. F. Debs., 6/41	92	95	6.70
Howard Smith Paper Mills 5½/33	73	78	7.40
Manitoba Power, 1st, S. F. 5½/51	92	93	6.10
Massey-Harris, 1st Mtge. 5/47	70	75	7.75
MacLaren Quebec Power 5½/61	95	96.50	5.75
Montreal Coke, 1st, 5½/47	102	103	5.20
Montreal Island Power 5½/57	99.50	101	5.40
Montreal Light, Heat & Power 5/51	104	105.50	4.55
Montreal Tramways 1st, Coll. Trust 5/41	101	102	4.75
Montreal Tramways Gen. Ref. 4½/56	87	89	5.30
Montreal Tramways 5/55	94.25	96	5.30
Moodie, J. R. 6/48	97	100	6.00
Nova Scotia Steel & Coal, 1st 5/59	60	64	9.10
Nova Scotia Steel & Coal 6% Debs.	30	40	...
Ogilvie Flour Mills 6/32	100	102	4.60
Ontario Power Service 5½/50	92	95	5.85
Power Corporation of Canada 4½/59	85	90	5.20
Price Bros. 1st S. F. Ser. "A" 6/43	98	101	5.90
Quebec Power 1st, Mtge. Coll. S. F. 5/68	103	105	4.60
Rio de Janeiro Trams. 5/35	97	100	5.00
Shawinigan Water & Power 4½/70	96.75	97	4.65
Shawinigan Water & Power 5/70	104	106	4.60
Simpsons 6/49	100	102	5.80
Southern Canada Power 1st, 5/55	101.50	103	4.75
United Securities Coll. Trust 6½/52	100.50	102.50	5.30
West Kootenay Power 5/56	99.60	100.50	4.95
Windsor Hotel 6½/43	101.50	104.50	6.05
Windsor Hotel 6/47	95.50	100	6.00
Winnipeg Electric 5/35	98	101	4.75
Winnipeg Electric 6/54	92	96	6.30

Foreign Exchange

	New York Funds High (Premium)	New York Funds Low (Premium)	Last Year High (Premium)	Last Year Low (Premium)
April 8	3-64	1-32	3-64	1-32
April 9	3-64	1-32	3-64	Par
April 10	3-64	1-32	1-64	Par
April 11	3-64	1-32	1-64	Par
April 13	3-64	1-32	Par	Par
April 14	3-64	3-64	1-64	1-128

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
April 8	4.85 3-4	3.91	5.23 3-8
April 9	4.85 3-4	3.91	5.23 3-8
April 10	4.85 3-4	3.90 15-16	5.23 3-8
April 11	4.85 11-16	3.90 15-16	5.23 15-16
April 13	4.85 7-16	3.90 7-8	5.23 5-16
April 14	4.85 5-8	3.91	5.23 7-16

FOREIGN EXCHANGE

Par		Mar. 31	April 7	April 14
5.26	Italian	5.23⅜	5.24⅜	5.23⅜
23.80	German	23.81½	23.82½	23.81½
13.90	Belgian	13.90½	13.91½	13.90½
49.80	Japanese	49.40	49.40	49.40

Winnipeg Grain Prices

Week to April 14

Crop Year from Aug. 14 High	Low		Open April 8	High for week	Low for week	Close April 14
		Wheat				
1.13⅞	.52½	May	.57⅝	.61¼	.57⅝	.60¼
.77¼	.54	July	.59	.62⅝	.58⅛	.61⅝
.70⅝	.57⅞	October	...	.64½	.61¼	.63⅜
		Oats				
.52	.26⅜	May	.27	.28¾	.27	.28¾
.33½	.26⅜	July	.27⅛	.29	.27⅛	.28⅞
.34⅛	.27⅜	October	.29¼	.31¼	.29⅛	.31
		Barley				
.49	.21⅞	May	.26⅝	.29¼	.26¼	.28⅞
.32½	.23¼	July	.28	.30⅜	.27⅜	.30¼
.33⅛	.25½	October	.30⅝	.33⅛	.30⅝	.33
		Flax				
1.32½	.94¼	May	1.02⅝	1.07	1.02⅝	1.05¼
1.11	.95½	July	1.03⅝	1.08¼	1.03⅝	1.06⅞
1.12	99½	October	1.05½	1.09½	1.05½	1.08¾
		Rye				
.71	.25⅛	May	.30½	.33⅛	.30½	.32⅝
.75	.25⅛	July	.32¼	.34⅝	.32¼	.34¼
.40⅛	.31⅝	October	.34⅝	.37⅝	.34⅝	.36⅝

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week to April 14, 1931

High to date*	Low		Open Apr. 8	High for week	Low for week	Close Apr. 14
		Wheat				
.64¾	.59⅞	May	.61	.64⅝	.61	.63⅞
.66¼	.61⅝	July	.61¼	.66⅛	.62¼	.65½
.68¾	.63½	October	.64¼	.68⅛	.64⅝	.67⅝

*Since trading opened March 3, 1931.

Listed Bond Quotations

Week Ending April 13

Montreal	Int. Rate	Due	Yield	Latest Ask†	High	Low	Range, 1931 High	Range, 1931 Low
Abitibi, 1st Mtge.	5	1953	7.20	77	75¾	...	78	74¼
Asbestos	5	1942	5.00	105	...	...	100	...
Asbestos, 1st Mtge.	6	1941	...	...	...	...	20	15
Do., gen. mtge.	6	1956	...	14	...	...	x41	25
Can. Cons. Rub.	6	1946	...	...	...	...	x102¾	102⅛
Can. Cottons	5	1940	6.32	...	91	...	91	...
Can. Forgings	6	1942	6.00	†1.00	...	...	100	...
Can. Locomotive	6	1951	...	94	...	...	x96	...
Can. Pr. (Laur. ser.)	5½	1958	...	8	10	5	28½	5
Do., (Way. ser.)	5½	1958	...	10	10	9	28½	9
Can. S.S. deb.	5	1943	...	...	...	...	x98¼	94
Cedars Rapids	5	1953	4.80	105	...	...	102⅝	...
Dom. Canners	6	1940	...	†103½	...	...	x103	...
Dom. Coal	5	1940	...	†98	...	...	x97¾	95⅞
McNish	6	1948	...	3.00	2.75	...	3.25	2.30
Mex. L. & Pr.	5	1940	10.05	...	...	...	73¼	70¼
Mont. L. H. & Pr.	4½	1932	...	†100	...	...	x100	98⅝
Mont. Tr. 1st mtge.	5	1941	...	†100¼	...	...	101¼	99½
Mont. Tr. "A"	5	1955	5.35	95½	95¼	...	95¼	91
Mont. Tr. G.&R. 'B'	5	1955	5.50	...	...	...	93¼	92⅜
Do., "C"	4½	1956	5.64	†86⅛	...	...	85	84
Do., "D"	5	1955	5.34	†94½	95¼	...	95¼	92½
N. S. Steel	5	1959	8.61	70	62⅝	62	62⅝	68
Ogilvie Flour "A"	6	1932	5.47	†100	100½	...	100½	100¼
Do., "B"	6	1932	...	†100	...	...	x100⅝	100
Do., "C"	6	1932	...	†100	...	...	x103	100
Ont. Steel	6	1943	...	106⅞	...	...	...	...
Porto R. Pr.	5	1936	6.79	†92½	92½	...	93	92
Steel of Can.	6	1940	4.95	†106	...	...	107½	...
Wayagamack	6	1961	8.65	70	...	...	75	...
West. K. Pr.	6	1940	5.15	†109¾	...	...	106	...
Winn. Elec.	5	1935	...	...	...	...	x98¼	...
Toronto								
Canada Bread	6	1941	...	†100	...	...	x104	101
Postal Tel.	6	1953	...	...	...	...	x95	88¾
Dominion Govt. Bonds (Montreal)								
War Loan	5	1931	...	101.00	100.90	.....	100.95	100.00
Do.	5	1937	3.68	107.25	107.10	106.90	107.10	104.00
Victory Loan	5½	1933	3.52	104.45	104.40	104.20	104.40	103.30
Do.	5½	1934	4.10	104.50	104.55	104.35	104.55	102.95
Do.	5½	1937	3.45	111.20	111.15	110.80	111.15	107.05
Do., refund	4½	1940	4.30	†101.25	101.35	...	101.35	99.40
Do., refund	4½	1944	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Do., refund	4½	1946	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Do., renewal	4½	1958	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

†—Latest bid.
x—Quotations for 1930. None recorded in 1931 to date.

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited)
April 14, 1931

Industrial Stocks	Bid	Asked
Acadia Sugar pref.	2.00	....
Allens London pfd.	31.00	....
Andian Nat'l Corp.	29.50	33.00
Border Cit. Htl. pfd.	....	16.50
Brew. Corp. of Can. com.	1.00	1.75
Brew. Corp. of Can. pfd.	13.00	16.00
B.C. Pulp & Paper com.	1.75	....
B.C. Pulp & Paper 7% pfd.	....	62.00
Canada Biscuit pfd.	....	11.00
Can. Crush. Stone pfd.	60.00	80.00
Can. Dom. Sugar c.	17.50	21.50
Can. Machinery c.	6.00	10.00
Can. Mach. 7% pfd.	23.00	....
Can. Packers c.	19.00	21.50
Can. Pack 7% pfd.	96.00	....
Can. Starch pfd.	70.00	....
Can. Wire & Cable pfd. w.w.	100.00	
Can. Indust. c. "A"	135.00	160.00
Can. Indust. c. "B"	135.00	160.00
Can. Indust. 7% pf.	123.25	128.00
Can. Investors c.	12.00	15.50
Can. Westinghouse.	70.00	75.00
Chase, A. W. 8% pf.	42.00	47.50
Clifton Co. Ltd.	....	130.00
Cons. Oka Sand & Gravel com.	4.00	8.00
Copeland Flour 6% pfd.	....	18.00
Dom. Alloy 8% pfd.	1.00	2.00
Dom. Foundries & Steel 8% pfd.	66.00	71.00
Dom. Foundries & Steel com.	9.75	11.25
Dom. Mfrs. com.	7.00	....
Dom. Mfrs. pfd.	75.00	....
Dunlop Tire 7% pf.	100.25	103.50
Eastern Car 6% pf.	60.00	....
East. Dairies 7% pf.	96.00	100.00
Edmonton Stock Yds. pfd. bonus	....	75.00
Frost & Wood com.	....	15.00
Goderich Elevator & Transit	15.00	17.50
Greening Wire 7% pfd.	96.00	100.00
Guardian Realty pf.	53.50	....
Harding Carp. pfd.	....	71.00
Inter-City Bak. c.	47.50	....
Inter. Propriet. "A"	....	34.00
King Ed. Htl. "A"	22.00	26.00
Loew's London c.	....	2.50
Loew's London 7% pfd.	2.50	4.50
Nat. Grocers com.	1.00	....
Nat. Grocers 2nd 7% pd.	51.00	59.00
Para. Oshawa c.	12.25	....
Prov. Paper pfd.	82.00	90.00
Rolland Paper pfd. bonus	63.00	....
Service Stations "A" pfd.	....	80.00
Stand. Clay Prod. c.	26.00	....
Stand. Fuel pfd. bonus	73.50	....
Supertest Petroleum "B" pfd.	20.00	25.00
Toronto Brick pfd.	67.00	....
Toronto Carpet c.	112.00	....
Toronto Carpet 8% pfd.	101.00	
Toronto Elevator 7% pfd.	....	90.00
Toronto Housing c.	30.00	....
United Amuse. "A"	25.00	34.00
Willards Choc. 8% pfd.	....	67.00
Willards Choc. c.	....	5.00
Insurance Stocks:		
Br. Amer. Assce.	52.00	....
Canada Life	700.00	....
Canada Nat. Fire	27.00	....
Can. Fire Ins.	80.00	....
Capital Life 20% pd.	....	27.00
Commercial Life 10% pd.	....	27.50
Confederation Life 20% pd.	250.00	....
Continental Life 20% pd.	70.00	....
Crown Life	275.00	....
Dominion Fire	....	135.00
Dom. of Can. Gen.	230.00	....
Dom. Life 50% pd.	340.00	....
Excelsior Life 30% pd.	120.00	185.00
Fed. Fire 25% pd.	32.50	....
Fidelity Ins. of Can.	....	130.00
Great West Life	....	535.00
Guarantee Co. of N. A.	242.50	....
Halifax Fire	19.00	24.00
Imperial Life	400.00	....
Manufacturers Life	332.50	....
Monarch Life 10% pd.	28.00	34.00
Nat. Life 25% pd.	....	140.00
Sask. Life 25% pd.	....	25.50
Sovereign Life 25% pd.	29.00	34.00
Sun Life	....	1750.
Western Assur. c.	44.00	....
Western Life 20% pd.	11.00	....
Trust & Loan Stocks:		
Br. Mtge. & Trust	216.00	....
Chartered Trust	112.00	....
Commer. Fin. pfd.	50.00	60.00
Commer. Fin. c.	4.00	11.00
Deb. & Sec. com.	70.00	....
Deb. & Sec. pfd.	60.00	....
Guelph & Ont. Inv. par $50	58.00	63.00
Lamb. Loan & Sav.	80.00	....
London & Western Trust	....	132.00
Midland Loan & Sav.	18.00	24.00
Mutual Fin. c.	....	7.50
Mutual Fin. pfd.	....	7.50
Sec. Loan & Sav.	112.00	....
Sherbrooke Trust	115.50	....
Sterling Trust	87.50	....
Traders Fin. "A" pfd.	....	80.00
Traders Fin. "B" pfd.	....	80.00
Traders Fin. com.	....	15.00
Trusts & Guarantee	86.50	93.00
Waterloo Trust & Sav.	126.00	....
Power Issues:		
B.C. Elec. Pwr. & Gas pfd.	102.00	105.50
Calgary Pwr. pfd.	90.00	95.00
Can. Light & Pwr. com.	35.00	....
Can. Northern Pwr. pfd.	104.50	108.00
Can. West. Nat. Gas LH&P com.	50.00	....
Can. West. Nat. Gas LH&P pfd.	87.00	94.00
East Kootenay Pwr. pfd.	97.00	100.00
Great Lakes Power pfd.	94.50	97.50
N.B. Pwr. 1st pfd.	60.00	....
N.S. L&P pfd.	92.00	....
Ottawa LH&P 6½% pfd.	101.00	....
Power Corp. 6% pf.	98.00	102.00
Recent London Quotations:		
Brewer Distillers		5s. 10½d.
Can. & For. Sec.		7s. 1½d.
Can. West. Lumber		3s.
Hudson's Bay		33s. 9d.
Do., 5% pfd.		80s.
Internat. Holdings		2½
Wall Paper Mfg.		29s. 4½d.
Pref. 5%		18s. 6d.

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Abitibi Power, pfd.	6%	1½%	Apr. 20	Apr. 10
Amer. Commonwealth, 1st pfd.	$7	$1.75	May 1	Apr. 15
Do.	$6.50	$1.63	May 1	Apr. 15
Do.	$6	$1.50	May 1	Apr. 15
Do., 2nd pref.	$7	$1.75	May 1	Apr. 15
Do., com. class "A" & "B"		1/40 sh.	Apr. 25	Mar. 31
Bk. of Toronto	12+1%	3%	June 1	May 15
Blue Ribbon, pref.	$3.25	81¼c	May 1	Apr. 15
Beatty Bros. pref.	6%	1½%	May 1	Apr. 15
Belding Corticelli	7%	1¾%	May 1	Apr. 15
Brazilian Tr.	...	2% stk.	June 1	Apr. 30
Can. Dredge, com.	$3	75c	May 1	Apr. 15
Do., pref.	7%	1¾%	May 1	Apr. 15
Can. Bronze	$2.50	62½c	May 1	Apr. 20
Do., pref.	$7	$1.75	May 1	Apr. 20
Can. Northern Power, com.	80c	20c	Apr. 25	Mar. 31
Can. Wire & Cable "A"	$4	$1	June 15	May 31
Do.	...	$1	Sept. 15	Aug. 31
Do.	...	$1	Dec. 15	Nov. 30
Can. Pr. & Pap. Invest., pfd.	5%	1¼%	May 15	Apr. 30
Cockshutt Plow	60c	15c	May 1	Apr. 15
Can. Industries com.	...	62½+25c	Apr. 30	Mar. 31
Consolidated Press	$2	50c	May 1	Apr. 15
Calgary Power, pref.	6%	1½%	May 1	Apr. 15
Disher Steel pref. "A"	$1.50	37½c	May 1	Apr. 15
De Forest Cros.	80c	40c	May 1	Apr. 15
Dome Mines	$1	25c	Apr. 20	Mar 31
Dominion Tar, pref.	6½%	1⅝%	May 1	Apr. 6
Eastern Dairies	$1	25c	May 1	Mar. 25
Eastern Theatres, com.	$2	50c	June 1	Apr. 30
Foreign Power Secs., pfd.	6%	1½%	May 15	Apr. 30
Foundation Co. com.	$1	25c	May 15	Apr. 30
Hollinger Mines	65c	1%	Apr. 22	Apr. 8
Hamilton Bridge	$1	25c	May 1	Apr. 15
Do., pref.	6½%	1⅝%	May 1	Apr. 15
Humberstone Shoe	$2	50c.	May 1	Apr. 15
Inter. Nickel pfd.	7%	1¾%	May 1	Apr. 1
Inter. Utilities pref.	$7	$1.75	May 1	Apr. 17
Imperial Bank	12%	3%	May 1	Mar. 31
Inter. Paints, pref.	7½%	1⅞%	Apr. 17	Mar. 31
Mexican L. & Pr. pfd.	7%	3½%	May 1	Apr. 17
Do., 2nd pref.	4%	2%	May 1	Apr. 17
MacKinnon Steel, pfd.	7%	1¾%	May 1	Apr. 15
Mitchell, J. S., com.	..	$1	May 1	Apr. 18
Montreal L. & Pr.	$1.50	37c	Apr. 30	Mar. 31
Nipissing Mines	6%	1½%	Apr. 20	Mar. 31
Northern Ontario Power	$2	50c	Apr. 25	Mar. 31
Do., pref.	6%	1½%	Apr. 25	Mar. 31
Penmans	$4	$1	May 15	May 5
Do., pref.	6%	1½%	May 1	Apr. 21
Power Corp. com.	$2	50c	May 20	Apr. 30
Russell Motor	5%	1¼%	May 1	Apr. 17
Do., pref.	7%	1¾%	May 1	Apr. 17
Service Stn. Equip. pfd.	6%	1½%	May 1	Apr. 15
Simpson Ltd. class "A"	$2	50c	May 1	Apr. 20
Do., pref.	6½%	1⅝%	May 1	Apr. 20
Simpson, Robt., pfd.	$6	$3	May 1	Apr. 15
Southern Can. Power c.	$1	25c	May 15	Apr. 30
Steel of Can.	$1.75	43¾c	May 1	Apr. 7
Do., pref.	$1.75	43¾c	May 1	Apr. 7
Teck Hughes	60c	15c	May 1	Apr. 16
Western Steel, pfd.	6½%	1⅝%	May 1	Apr. 15

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co. Ltd.)
350 Bay Street, Toronto, Ont.

Provinces	Rate	Actual Mat.	Next Int. Date	Price	Yield
Alberta	4½	1 Oct., 1958	1 Oct.	98.45	4.60
Alberta	5	1 Jul., 1943	1 July	102.81	4.70
Alberta	6	1 Apr., 1936	1 Oct.	106.46	4.75
British Columbia	4½	1 Oct., 1958	1 Oct.	99.60	4.52
British Columbia	5	15 Jan., 1948	15 July	105.00	4.57
British Columbia	6	15 Aug., 1941	15 Aug.	110.24	4.75
Manitoba	4	1 Jul., 1947	1 July	93.67	4.55
Manitoba	4	2 Jun., 1959	2 June	106.32	4.60
Manitoba	5	15 Jun., 1943	15 June	103.77	4.60
New Brunswick	4½	1 Jun., 1948	1 June	100.00	4.50
New Brunswick	4¾	15 Jun., 1936	15 June	100.96	4.55
New Brunswick	6	1 Jan., 1936	1 July	106.19	4.55
Nova Scotia	4½	15 Nov., 1948	15 May	100.00	4.50
Nova Scotia	5	1 May, 1943	1 May	104.25	4.55
Nova Scotia	6	1 Nov., 1936	1 May	107.67	4.60
Ontario	4½	1 Sep., 1944	1 Sept.	101.25	4.37
Ontario	5	15 Oct., 1948	15 April	107.00	4.42
Ontario	6	2 May 1936	2 May	107.48	4.45
P. E. I.	4	1 Apr., 1939	1 Oct.	96.67	4.50
P. E. I.	4½	1 Oct., 1944	1 Oct.	99.50	4.55
Quebec	4½	1 Jun., 1946	1 June	101.12	4.40
Quebec	5	1 Mar., 1964	1 Sept.	109.47	4.45
Saskatchewan	4½	1 Oct., 1944	1 Oct.	98.32	4.65
Saskatchewan	5	1 Oct., 1950	1 Oct.	103.80	4.70
Saskatchewan	6	1 Feb., 1936	1 Aug.	105.51	4.75
Cities					
Montreal	5	1 Sep., 1963	1 Sept.	106.71	4.60
Toronto	4½	1 Sep., 1954	1 Sept.	[illegible]	[illegible]
Vancouver	4	1 Aug., 1946	1 Aug.	94.46	4.50
Winnipeg	5	1 Mar., 1944	1 Sept.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Victoria	5	21 Jul., 1945	21 July	103.66	4.65

A. J. Pattison, Jr. & Co.
LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay Street, (First Floor) Toronto Elgin: 5101 (TEN LINES)

REGENT KNITTING LOSS INCREASED AFTER WRITE OFFS

Net Earnings Higher—Substantial Deductions Made

From Our Own Correspondent

MONTREAL.—Though Regent Knitting Mills was able to report an increase in net earnings from operations in 1930, write-offs on raw cotton and wool and finished goods resulted in higher net operating loss as compared with the previous year.

Gross profits totalled $275,779. Sales and administration expenses of $214,125 left net earnings from operations at $61,653 as compared with $7,736 in 1929.

Depreciation in Inventory

Deduction of bond interest, discount, loss on prices of raw materials, reserve for inventory depreciation and general depreciation totalled $163,364, leaving a net loss of $101,710 compared with $98,284 in 1929.

Surplus account was further reduced by bond discount of $32,400 and expenses of moving of $60,032. This brought total deductions to $194,142, leaving a balance forward into the current year of $412,794 as compared with $606,936 at the end of the preceding year.

Profit And Loss Figures

Following is a comparison of profit and loss accounts for the past two years:

	1930	1929
Gross profits	$275,779	$226,080
Less: Selling & admin. expenses	214,125	233,816
Net earnings	61,653	7,736
Less: Bond interest	31,621	33,646
Bond discount	6,480	6,480
Inventory res.	42,146	......
Depreciation	75,000	50,423
Loss on raw mats.	8,116	......
Net loss	101,710	98,285
Add: Prev. surplus	†606,937	704,877
Balance	505,227	606,592
Less: Bond disct.	32,400	
Moving expenses	60,033	
	412,794	

†Adjusted.

Working capital is lower by $17,000 at $636,706. Current assets totalled $1,115,422 and current liabilities amounted to $478,716 at the end of the year. Assets include inventories, less reserve of $48,698, valued at $794,156. This compares with $59,023 at the end of the previous year.

Cash is slightly lower at $42,186 and accounts receivable total $229,011, a decline of $7,000. Deferred charges are lower by nearly $100,000 at $24,915. Property is valued at $1,820,472, including reserve for depreciation of $486,642.

Bank Loans Reduced

Liabilities include bank loans of $390,000 a reduction of $60,000 from the previous year. Accounts payable at $46,117 are lower by $33,000. Share structure is unchanged but common shares which were outstanding to the extent of 65,009 shares were given a value of $1,205,901 last year as compared with $1,820,045 in 1929.

Funded debt has been reduced $36,000 to $463,400.

J. S. Mitchell Pays Dividend On Common

From Our Own Correspondent

MONTREAL. — In line with earlier expectations, J. S. Mitchell & Co. has declared an interim dividend of $1 a share on its common stock, payable May 1 to shareholders of record April 16.

No statement was issued by the directors, following this action, as to the result in the first quarter this year, but it was gathered that earnings were satisfactory in view of the none too prosperous conditions in the industry as a whole.

In accordance with the last annual statement, the company had a surplus of $349,042, or the equivalent of $23.27 on the 15,000 shares of common stock outstanding.

An additional constructive aspect of the company's year to date has been further redemption of the 7 per cent preferred stock, of which only $380,000 was outstanding at December 31, last.

JAMAICA PUBLIC SERVICE PROFITS HOLD UP IN 1930

Gross Income Higher—Net Lower Because of Write-Offs

From Our Own Correspondent

MONTREAL. — Jamaica Public Service Ltd.—holding company for Jamaica Public Service Co., a Jamaican public utility—reports earnings on its common stock of $2.01 a share for 1930, compared with $2.05 in the preceding year.

According to the annual report, gross earnings amounted to $833,853, up from $767,315 in the preceding year. After taking care of operating expenses, net operating income totalled $376,638, an increase of over $26,000. Taxes, interest charges and reserves were higher for 1930, leaving a balance available for dividends of $153,443, or roughly $9,000 less than in 1929.

Pay Common Dividend

Further particulars of the profit and loss account figures for the past three years follow:

	1930 $	1929 $	1928 $
Gross earn.	833,853	767,315	697,876
Oper. exp.	457,215	416,871	388,438
Taxes	37,338	30,105	27,068
Int. charges	95,858	77,941	66,726
Retire res.	90,000	80,000	80,000
Balance	153,442	162,398	135,644
Divids. pfd.	63,000	70,000	70,000
Com. divid.	22,492	......	......
Surplus	67,950	92,398	65,644

Property Values Higher

Several important changes are noted in the balance sheet position of the company as at December 31, 1930. Assets have increased in value from $3,519,321 at the end of 1929 to $4,531,994. Property account has increased from $3,189,585 to $3,729,696. Cash at $121,108 has more than doubled; accounts receivable are about $24,000 higher at $85,193; inventories have advanced from $132,881 to $202,240, while discount on the recent bond issue is carried at $224,679. Other items are relatively unimportant.

Among liabilities, funded debt is shown up from $937,500 to $2,000,000. Preferred shares outstanding remain unchanged, while ordinary shares are given a book value of $1,033,690, as against $1,126,730. An item of notes payable amounting to $178,614 in the 1929 balance sheet, has been eliminated. The various reserves show satisfactory increases, while the earned surplus stands at $129,175.

EASTERN THEATRES EARNINGS DROPPED BUT DIVIDENDS PAID

Made Heavy Write-offs For Depreciation—Working Capital Good

Eastern Theatres net earnings in the year ending August 29, 1930, were $114,851 as compared with $163,136 in the preceding wear, a decline of 30 per cent. Net profits of $53,802, after larger write-offs than in the previous year, compared with $124,010. This was, however, enough to pay 7 per cent dividends 1.54 times on 5,000 shares of preferred stock as compared with 3.54 times in the year ending August 30, 1929. The amount available for dividends on 32,000 shares of common stock was 59 cents a share in the year under review as compared with $2.78 in the preceding year. Dividends at the rate of $2 a share were continued as they had been in 1928 and 1929.

In spite of an actual deficit of $45,198 on the year's operations, after paying preferred and common dividends, the company also wrote off $50,000 for "commission on sale of preference shares written off" and $118,236 as additional depreciation to the $38,425 already written off. These write-offs pulled the company's surplus down to $113,340.

INCOME AND SURPLUS ACCOUNT

	Aug. 29 1930 $	Aug. 30 1929 $	Aug. 24 1928 $
Net earn.	114,851	163,136	145,333
Less: Deprec. on bldgs. & equip.	38,425	22,637	22,584
Prop. of sound equip., license & instal. costs writ. off	17,002	5,879	......
Inc. tax prov.	5,622	10,610	9,660
Net profit	53,802	124,010	113,089
Less appropriations:			
Pref. divds.	35,000	35,000	35,000
Com. divds.	64,000	64,000	64,000
Writ. off†	50,000	......	......
Addit. deprec.	118,236	......	......
Surplus for year	*213,434	25,010	14,089
Adj. of inc. tax	376	......	131
	*213,810	25,010	14,220
Add: Prev. surplus	327,150	302,141	287,920
Bal. carr. forward	113,340	327,151	302,140

*Debit.

†Commission on sale of preferred shares written off.

Current assets of $186,741 were 4.40 times current liabilities of $42,395. Cash dropped in the year from $48,298 to $4,906 but government bonds went up from $150,825 to $175,740.

Theatre property is shown at $469,285 while a year earlier it had been shown at $610,760. This was in response to a change of policy in regard to providing for depreciation of building. The land in both years was shown at $207,208. The building and equipment increased from $742,199 to $744,866 but the reserve for depreciation was increased from $338,647 to $482,789. Goodwill, franchises, also were written down to $800,000 from $850,000.

Mortgages payable were reduced from $46,000 to $44,000. There was no change in issued totals of preference and common stock.

	Aug. 29 1930 $	Aug. 30 1929 $
Current assets	186,741	205,386
Current liabilities	42,395	12,394
Working capital	144,346	192,992

PREMIER HEAD SAYS ADVANCE PUZZLING HIM

H. A. Guess Hears of No Great Find at Kirkland Lake

Market activity in Premier Gold Mining Co., and its advance from a close of 75 cents on Thursday last to a high of 94 cents on Saturday has started rumors of spectacular finds made last week at the old Tough-Oakes-Burnside property at Kirkland Lake now under option to Premier.

H. A. Guess, vice-president and managing director of the company, advised The Financial Post on Monday last that he was as much at a loss to understand the advance in Premier stock as anyone else, since he had received no reports from Kirkland Lake of any spectacular finds. Work is on the eighth level, exploring the vein system there, but nothing that could be construed as spectacular or having any bearing on the company's stock has resulted.

Premier, since acquiring the option on the Tough-Oakes-Burnside property in February this year, has been energetically exploring and extending the old workings to determine the possibilities of the property. Upon acquiring this option it formed a new company known as the Toburn Gold Mines, with a capitalization of 2,000,000 shares, which now holds title to the property and in which Premier will have approximately 70 per cent interest when the option is exercised.

Australia's Troubles Bear Heavily on Ford

That is Why Company Set Up Million Dollar Reserve Against Losses in Affiliated Enterprises

Recent annual statement of Ford Motor Company of Canada indicated that the directors had seen fit to transfer $1,000,000 from surplus account in order to set up a special reserve against depreciation of the company's investment in affiliated companies and for contingencies. It is understood that this action was taken almost wholly on account of the unsatisfactory position of the Australian subsidiary of the company.

Ford Motor of Canada has long occupied an important position in Australia. The company owns a body plant at Geelong and an assembly plant at the same place. In addition there are sales branches at Sydney, Adelaide, Brisbane and Perth. Two subsidiary companies, Ford Manufacturing Company of Australia and Ford Motor Company of Australia, were formed in 1924-25 to handle these plants and Ford sales in that country.

Australian Trade Inactive

Recent breakdown of Australia's finances, as a result of the over-socialization of industrial and financial activities there, has seriously affected every outside company doing business in that country and Ford Motor has not escaped its share of these effects. It is a practical impossibility to ship Canadian cars to Australia now, whereas we shipped Australia 18,000 cars in 1929 we shipped only 69 in October, none in November, two in December, none in January, and none in February. Canadian assembly plants in that country are at a standstill. Recent tariff changes may help to relieve the virtual embargo.

In another way Australia's troubles have affected Canadian companies doing business there. The embargo on the export of funds from Australia has prevented them from withdrawing from that country either the sale price received for any goods sold there now or any accumulated funds in that country. The manufacturer, who is able to ship his goods into Australia over the many import restrictions and the high tariff now in force, must leave the money there. He is not permitted to buy a draft on London or New York, the Australian banks at the request of the company having reserved the supply of outside funds for the use of the Government. There is a nominal quotation in leading markets for Australian funds, at a discount of about 31 per cent, but even this high discount is nominal and transactions cannot be entered into effectively by private companies. One theoretical way of getting around the matter would be to purchase Australian internal bonds and to market them abroad but as even the external loans of Australia are selling in the London market at from 20 to 33 per cent discount there is no practical value in this move.

Write Down Australian Funds

Ford Motor Co. is understood to have about $3,000,000 of working capital funds in Australia and the setting up of a contingent reserve of $1,000,000 may be interpreted as a temporary writing down of this amount by the one-third discount now nominally quoted on Australian funds and bonds.

Whether or not any loss on accumulated funds in Australia will be suffered by Ford or other Canadian companies depends, of course, upon the financial progress of the southern Dominion.

Plant Operating Now

Ford plant at East Windsor, Ont., is now operating but not on a capacity basis. The company is not pushing production preferring to maintain a long rather than a full schedule of operations. In most provinces of Canada automobile sales this year are holding up well but the three prarie provinces still report very slow purchases of new cars. This makes it doubtful if Canadian automobile plans this year—including Ford— will be able to duplicate 1930 sales figures. One effect, however, of traditional Ford conservatism in production schedules is that no large stocks of unsold new cars are ever piled up by the company. This has proven a real problem, at times, for some companies embarking on ambitious but later unfulfilled production programmes.

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G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Building, Toronto

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CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

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A. M. SMART, President.
T. H. MAIN, Manager.

Winnipeg Electric Company

Report of the 38th Annual Meeting, held April 6th, 1931

At the annual general meeting of the shareholders of the Winnipeg Electric Company, held in the head offices of the Company on April 6th, 1931, the report of the President and Directors and the financial statements for the year ending December 31st, 1930, were presented and adopted.

The following Directors were elected for the ensuing year and until their successors are appointed: Edward Anderson, K.C., W. R. Bawlf, S. L. Fuller, W. J. Bulman, W. H. Carter, P. A. Thomson, J. B. Woodyatt, A. J. Nesbitt, N. J. Breen, J. B. Coyne, K.C., Foster Hannaford and J. A. McPhail.

The following are officers of the Company for the ensuing year: Edward Anderson, K.C., President and General Manager; W. R. Bawlf, Vice-President; J. S. Mackenzie, Treasurer; L. Palk, Secretary; S. N. Currie. Assistant Secretary; G. T. McIntosh, Assistant Secretary.

The foregoing are, in addition to the permanent officers, Mr. L. Palk, Vice-President in charge of Executive Matters; Mr. C. H. Dahl, Vice-President in charge of Operations, and Mr. W. E. Blodgett, Vice-President in charge of Finances.

The report of the President and Directors follows:

To the Shareholders:

Your directors beg to submit a statement of operations for the year ended December 31st, 1930, as follows:

Gross Earnings from Operation		$6,078,055.37
Operating Expenses before charging Depreciation		4,023,039.22
Net Operating Income		$2,055,016.15
Miscellaneous Income		376,899.04
Gross Income available to meet Fixed Charges, etc.		$2,431,915.19
From which the following deductions are made:		
Interest Charges on Mortgage Stock, Bonds, Bank Loans, etc.	$951,289.71	
Taxes	361,343.05	
Other Income Deductions	31,129.41	1,343,762.17
Net Income as shown on accounts submitted herewith, excluding Depreciation		$1,088,153.02

Miscellaneous Income shows a decrease of $92,193.11 from the amount reported for 1929. In 1929 interest on advances made temporarily to Northwestern Power Company Limited until that company could complete its financing totalled $96,558, as compared with $47,804 this year, thus reducing Miscellaneous Income account from this source by $48,754. Miscellaneous Income for the year 1929 included dividends on the Company's holdings in Manitoba Power Company Stock to the amount of $211,463, as compared with $130,879 for 1930, a decrease of $80,584.

The Net Income for the year was $1,088,153.02, which represents a decrease of $369,757.90 from the preceding year, due to conditions referred to elsewhere in this report. Out of the Net Income of $1,088,153.02, a total of $515,344.95 was set aside for Depreciation, the balance of $572,808.07 being carried forward to Surplus Account, bringing the total surplus up to $934,867.20 before providing for payment of dividends. After the payment of the regular quarterly dividend at the rate of 7% on the Preferred Stock and one dividend of $1.00 per share on the Common Stock of the Company, there was a balance carried forward of $344,978.20. As usual, the Sinking Fund instalment, which in 1930 amounted to $71,900.00, was paid over and deposited with the Trustees.

UTILITIES

The Gross Earnings of the Electric, Railway and Gas Utilities were adversely affected by reason of the depression in trade and attendant unemployment. Gross Receipts of the Electric Utility, however, showed a small increase over 1929, despite unfavorable economic conditions and a shortage of power occurring in the months of October and November resulting from a less than normal flow of water in the Winnipeg river. This shortage of power likewise affected the earnings of Manitoba Power Company Limited, the major portion of the stock in which Company is owned by Winnipeg Electric Company.

Railway Earnings, dependent as they are on business activity, were considerably reduced during 1930 when compared with the preceding twelve-month period. Our experience was similar to that of most street railways on this continent, which recorded an average decrease in traffic during 1930 amounting to seven and one-half per cent, which decrease is attributed entirely to the financial depression. Another factor affecting the earnings of this Utility was the exceptionally mild weather prevailing in the months of November and December, which permitted the greater use of the automobile as a means of transportation and made it possible for people to walk to and from work.

Pursuant to the application for relief from paving maintenance charges and the abolition of the 5% gross earnings tax and an upward revision of fares, referred to in the annual report for 1929, the City Council agreed to an interim fare increase, which was approved by the Municipal and Public Utility Board, the new schedule becoming effective on July 14th. This interim schedule of fares was to be operative "pending full investigation of the whole street car fare problem by the said Board." Hearings were held before the Board from July to the end of the year, and an exhaustive enquiry was made into the operations of the Street Railway Utility of Winnipeg Electric Company, as well as those of its two subsidiaries, the Suburban Rapid Transit Company and the Winnipeg, Selkirk & Lake Winnipeg Railway Company. As it did not appear that a finding could be made for some time, and as the interim fare schedule made effective July 14th had not sufficiently improved the situation, the Board on October 6th placed in effect an experimental fare schedule under which we are now operating but which the Company contends does not afford sufficient relief. The report of Mr. A. E. K. Bunnell, expert, who was retained by the Municipal and Public Utility Board at the beginning of its investigation, has recently been completed and supports in very large measure the representations made by the Company before the Board. The final decision of the Board in the above matter is expected shortly.

The Gas Utility also showed a decrease in revenue during 1930, which was due to a large extent to one of its largest customers being out of production most of the year.

GENERAL CONDITIONS IN TERRITORY SERVED

Winnipeg, dependent as it is upon the purchasing power of the Prairie Provinces, has gone through a trying year during 1930. The estimated value of field crops in the three provinces was $270,000,000 in 1930, as compared with $471,000,000 in 1929 and $683,000,000 in 1928. If allowance be made for the decrease in the price of manufactured goods during the past two years, it is estimated that the new purchasing power put into circulation in the prairies during 1930 is about 36 per cent below the corresponding figure for 1929 and almost exactly half that for 1928.

The Western farmer, fortunately, is not so dependent now as formerly upon field crops, particularly in the Provinces of Manitoba and Alberta. In 1929, for example, the last year for which information is available, the average farmer in these provinces earned approximately $600.00 from the sales of live stock, poultry and dairy products. In 1930 the Manitoba dairy industry had the best year in its history.

Conditions in Winnipeg and Western Canada, however, are not different to those existing elsewhere. The economic depression of 1930 was international in its scope and one of the most severe in time of peace, being due in a large measure to economic maladjustments resulting directly and indirectly from the Great War. The attention that is being at present directed towards overcoming the most serious aspects of this and other depressions should in the long run, prove beneficial to the world at large.

With respect to the immediate local situation, it is interesting to note that a further increase in population totalling 6,409 was recorded in Winnipeg during 1930. For this period building permits in Greater Winnipeg amounted to $9,586,451, a substantial total. The Industrial Development Board of Manitoba estimates the value of products manufactured in Winnipeg during 1930 as $132,000,000, which compares favorably with the 1929 total of $155,000,000, when the lower price of commodities is taken into consideration. The survey of this board indicates that 32 new industries were established in Manitoba during the year, 16 established industries added new lines, and 12 have expanded their factories.

It would appear that we have passed through the most serious stage of the depression, and it can be said that prospects are believed to be somewhat brighter. There has been a substantial increase in manufacturing in Winnipeg during recent years, and this development will continue; our mineral resources are being developed; our fishing industry is growing; there is available plenty of low cost electrical energy, and, all in all, we can confidently anticipate a continued interest in the development of Winnipeg and Western Canada.

IMPROVEMENTS TO COMPANY'S PROPERTY

In the Electric Field, the most important work undertaken during the year was the changing over of the transmission lines and the Great Falls power plant from 60,000 volts to 110,000 volts. Work involved the changing of all transformer connections at McPhillips Street Terminal Station and at Great Falls, replacing some switching and re-arranging the local service at the latter point, increasing the insulation of the various transmission lines supplying power from Great Falls, and building a two-circuit 110,000 volt line from Great Falls to Lac du Bonnet. A bank of three 10,000 K.V.A. transformers was installed at Transcona to reduce the voltage from 110,000 volts to 60,000 volts. The result of all this work was a great improvement in the line regulation and a large decrease in energy losses through the transmission lines.

Other major improvements to the Electric Utility included replacing the inadequate 22,000 volt switches in St. James Substation by modern switches the installation of an additional 22,000 volt underground cable feeder between St. James Substation and Sherbrooke St. Substation, and the re-arrangement of the 60,000 volt switching at the St. Boniface Substation by the installation of a 9,000 K.V.A. bank of transformers and new 60,000 volt switching. There were also the usual extensions to take care of new customers.

Railway Utility—In pursuance of its agreement with the City following the granting of an interim fare increase in July, the Company proceeded with a re-construction programme with respect to both track and rolling stock. Track work included the re-construction of tracks between Garry and Donald Streets on Portage Avenue, and likewise between Colony and Maryland Streets on Portage Avenue, where a heavier grooved rail was used with a foundation and pavement of concrete construction. Re-construction of track on Osborne Street between Stradbrooke Avenue and Corydon Avenue, involving the laying of 2,900 feet of single track, was also completed. These are main travelled lines which we expect will remain in use many years.

Changes to rolling stock included conversion of thirty high floor cars into the front exit type, which cars were also completely overhauled and painted and had new leather cross seats installed. In addition to this group of thirty cars, sixty-four other high floor cars were equipped with front exits to facilitate egress of passengers and to induce a better distribution of passenger loads within the cars.

In the Gas Utility, no major changes were effected.

The Company's property is being carefully maintained in order that it may serve its patrons efficiently. The last annual report stated that a valuation of the Company's property was being made for the purpose of substantiating book values and to determine rates of depreciation. Completion of this valuation substantiates the values of property shown on the books of the Company.

SEVEN SISTERS FALLS

During the year 1930, Northwestern Power Company Limited, formed for the purpose of carrying on the Seven Sisters Falls development, most of the stock in which Company is owned by Winnipeg Electric Company, proceeded with a very active construction programme.

During this time, the heavy construction work for the initial development at this site, consisting of power house substructure and superstructure for the installation of the first three units, dam and initial dykes, was practically completed. The substructure for the remaining three units has been constructed to a point where unwatering expense will be at a minimum for the installation of the additional turbines and generators as required.

Installation of the turbines, mechanical and electrical equipment, and construction of the transmission line between Seven Sisters Falls and Winnipeg is now in progress, and it is anticipated that the first units will be in operation in the summer of 1931.

FINANCIAL OPERATIONS

No permanent financing was done by the Company during the year 1930.

Last year's report stated that on October 10th, 1929, the Directors of Winnipeg Electric Company offered to the minority shareholders of Manitoba Power Company Limited the privilege of exchanging Manitoba Power Company Limited stock for stock of Winnipeg Electric Company on a share for share basis, and as of December 31st, 1929, the holders of 29,483 shares of Manitoba Power Company Limited had taken advantage of this offer and that Winnipeg Electric Company then held 120,473 shares in Manitoba Power Company Limited. As of December 31st, 1930, the number of shares held by Winnipeg Electric Company in Manitoba Power Company Limited stock had increased to 132,914 out of a total issued capital stock of 150,000 shares.

The loyal and efficient services rendered by the executives and employees in conducting the affairs of your Company and its subsidiaries are most gratefully acknowledged.

EDWARD ANDERSON,
President.

INCOME ACCOUNT

For the Year ended 31st December, 1930

Gross Earnings from Operation		$6,078,055.37
Operating Expenses before charging Depreciation		4,023,039.22
Net Operating Income		$2,055,016.15
Miscellaneous Income		376,899.04
Gross Income		$2,431,915.19
Deduct:		
Interest charged on Mortgage Stock, Bonds, Bank Loans, etc.	$951,289.71	
Taxes, etc.	361,343.05	
Other Income Deductions	31,129.41	1,343,762.17
Net Income Before Charging Depreciation		$1,088,153.02
Deduct:		
Depreciation		515,344.95
Net Income Transferred to Surplus		$ 572,808.07
Surplus Brought Forward from 1929 as Adjusted		$ 362,059.13
Net Income Transferred		572,808.07
		$ 934,867.20
Dividends on 7% Cumulative Preferred Stock	$350,000.00	
Dividends on Common Stock	239,889.00	589,889.00
Surplus Carried Forward		$ 344,978.20

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Mining Stock Quotations

Week ending April 13

Par Val	Range High	1931 Low	Company	Close April 6 (or last)	High for week	Low for week	Close Apr.13
1	.23	.10	Abana	.17	.18	.17	.17
1	.03	.01	Aconda	.02½	.03	.02½	.02½
1	.05½	.03½	Adrien	.04	.04½	.04½	.04½
None	*.50	.32	Aladdin	....	....	....	....
None	.50	.12	Aldermac	.40	.39	.39	.39
1	.05	.01½	Algonquin	.02½	.03½	.02½	.03½
1	.02½	.01	Amity C.	.02½	.02½	.02½	.02½
None	.45	.30	Amulet	.38	.38	.30	.31
1	.02½	.01	Apex	.02	.02½	.01½	.02
1	.05	.01¾	Area	.02	.04	.02½	.03¾
1	.01	.00½	Argo. Cons.	.00¼	.01	.01	.01
1	.08½	.01¼	Arno	.08	.08	.06	.07½
1	*.03	.00½	Astoria	....	....	....	....
1	.02	.00½	Atlas	.01	.01	.00½	.00½
1	.02¾	.01	Baldwin	.02	.02¼	.01½	.02
1	.19½	.08	Barry Holl.	.17	.17	.15½	.15½
None	1.45	1.00	Base Metals	1.17	1.25	1.10	1.25
None	.04	.00¼	Bathurst	.02	.04	.02	.03½
5	1.75	1.25	B'Wana	1.25	....	....	....
1	*.32	.12	Bedford	....	....	....	....
1	.28	.26	Ben Nevis	.27	....	....	....
None	.09½	.03½	Bidgood	.07	.07	.06¼	.06¾
1	.50	.39	Big Missouri	.48	.49	.46	[illegible]
1	.12	.02	Bobjo	.10	.08½	.07	.07
None	.01	.00½	Boischatel	.00½	.01	.00¾	.01
1	.08	.02½	Brett Trethewey	.03	.03	.02½	.03
1	.03	.03	Brit. Canadian	.03	....	....	....
None	.12	.03½	Brownlee	.06¾	.07½	.06	.06½
1	.02	.00¾	Buckingham	.01¼	....	....	....
1	.08½	.03	Bunker Hill	.04¾	.06½	.04½	.05
None	.03	†.03	Cal. Fin Flon.	.03	....	....	....
1	.02	.01	Cambro Kirk.	.01½	....	....	....
None	.05¼	.03	Canam Metals	.04	.03	.03	.03
1	.06½	.01½	Can. Kirk.	.04¼	.05	.04½	.04½
1	.02	.02	Can. Lorraine	.02	....	....	....
1	.32½	.12	Canusa	.32½	....	....	....
1	.01	.00½	Capital R.	.01	....	....	....
1	.26½	.15	Castle Tre.	.21	.21	.20	.21
1	.23	.03	Cen. Manitoba	.17½	.17½	.15	.15
1	.08	.02¾	Cen. Patricia	.04¼	.05	.04	.04½
1	.01½	.01½	Champion R.	.01½	....	....	....
None	.50	.02	Chib. Pros.	.40	.50	.40	.50
None	.08	.04	Clericy	.04¾	.05½	.04½	.04½
5	10.50	4.00	Coast Copper	8.50	8.50	8.00	8.00
1	.05½	.02	Cobalt Con.	.03¼	.05	.03	.04
1	.02½	.00½	Col. Kirk.	.01	.02¼	.00¼	.01¼
1	.39	.05	Columario	.34½	.38	.29	.30
5	.65	.50	Coniagas	.65	....	....	....
5	.62	.30	Coniaurum	.35	.50	.50	.50
25	188.25	133.00	Cons. Smelter	159.00	155.00	149.50	150.00
1	.01	.00½	Corona	.01	.01	.00½	.01
1	.02½	.00½	Crown Res.	.01½	.02	.01½	.02
	.28¾	.26½	Crudome	.27½	.28¼	.27	.28¼
None	.17	.03	Dom. Explor.	.12½	.12	.10	.10
1	.03	.00½	Dom. Kirk.	.00½	.03	.01	.01
None	13.25	9.00	Dome Mines	12.15	12.40	11.15	11.25
1	.00½	.00½	Don. Rouyn	.00½	.01	.01	.01
1	.01	.00½	Dunkin	.01	.01¼	.01¼	.01½
1	.02	.00½	Duprat	.01¼	....	....	....
1	1.28	.20	Eldorado	1.15	1.05	.85	.88
1	*.01	.00½	Everett	....	....	....	....
None	1.70	1.38	Falconbridge	1.65	1.68	1.55	1.55
1	.08½	.02¼	Federal	.05	.07	.05	.06
None	.01½	.00½	Flintoba	.01	.01¼	.01	.01
None	.30	.15	Gem Lake	.20	.21	.17½	.17½
None	.03	.03	Gilbec	.03	....	....	....
1	.08	.02½	Goldale	.03½	.05	.04½	.04½
10	.25	.15	Goldfield	.19	.20	.20	.20
1	.01½	.00½	Gold Hill	.01	.01	.00¼	.01
1	.11	.02¼	Goodfish	.08	.07½	.07	.07
1	.04	.00¾	Graham	.02	.01½	.01½	.01½
None	2.25	1.40	Granada	1.85	2.25	1.75	2.00
1	*.01	.00¼	Grover Daley	....	....	....	....
1	.08½	.06	Grozelle	.07	.08½	.08	.08½
1	.03	.01	Harker	.02½	.03	.02	.03
1	.03½	.00½	Hilltop	.02	.03½	.01¼	.03½
5	8.70	6.00	Hollinger	8.30	8.50	8.25	8.30
1	.38	.25¾	Howey Gold	.29	.29½	.26	.26
None	6.30	4.10	Hudson Bay	5.60	5.75	5.10	5.75
None	.36	.31	Huronian	.35	....	....	....
None	20.50	13.87	Int. Nickel	17.37	18.00	16.75	18.00
1	.03	.01¼	Jackson M.	.02	.02¼	.02	.02¼
1	.34	.25	Keeley	.26	.26	.25	.26
1	.04¼	.01	Keora M.	.02½	.02	.01¼	.02
1	.03	.01	Kirk. Hunt.	.02	.02¾	.02	.02½
1	.93	.55	Kirk. Lake	.91	.93	.83	.86
1	.08	.01	Kirk. Prem.	.02	.08	.02	.06
1	.11	.07	Kirk. Town.	.09	.08¼	.07	.08¼
20c.	.02¼	.01	Koot Flor.	.01¼	.02	.01½	.02
1	.02	.00¼	La Rose	.02	....	....	....
	.69	.65	Lakeland	.69	.69	.65	.65
1	28.50	23.50	Lake Shore	28.50	28.50	27.50	27.50
1	.02	.01	Laval	.01	.01	.01	.01
1	.02½	.01½	Lebel Oro	.02	....	....	....
1	*.01	.00¼	Lorraine C.	....	....	....	....
1	.55	.10	Macassa	.45	.55	.46	.49
1	.12	.02	Malartic	.00½	.08¾	.08	.08¾
None	.15	.06	Mandy	.12	.14	.11	.12
None	.06	.02	Man. Basin	.03¼	.04⅞	.04	.04½
None	*.30	.12	McDougall	....	....	....	....
1	.55	.30	McKinley	.55	.50	.35	.50
None	.33	.10	McLeod River	.26	.25½	.10	.18
5	26.50	20.50	McIntyre	25.25	26.20	24.50	24.80
1	.29	*.29	McMillan	.29	....	....	....
1	*.30	.04	McVittie	....	....	....	....
1	.01½	.00½	Millcrest	.01	....	....	....
5	2.84	1.46	Mining Corp.	2.41	2.42	2.20	2.20
1	*.01¾	.00¼	Mint Ore	....	....	....	....
1	.06½	.01	Moffatt Hall	.04⅞	.06	.05	.05½
1	.04	.02½	Moneta	.03½	.03½	.03½	.03½
1	.04	.02½	Moneta	.03½	.03½	.03½	.03
1	.00½	.00½	Mti. Rouyn	.00½	....	....	....
1	.63	.20	Moss	.62½	.63	.50	.61
1	.09	.01	Murphy	.06½	.09	.06	.08
1	.40	.25	Nevada	.30	.25	.25	.25
1	.07¾	.04¼	Newbec	.05½	.06	.05¼	.05½
1	.07	.02	Night Hawk	.08	.07	.03½	.07
5	1.90	1.15	Nipissing	1.65	1.60	1.35	1.55
None	29.65	14.00	Noranda	27.00	26.75	25.25	25.50
1	.50	.30	Nor. Canada	.47	.46½	.40	.40
None	.03	.01	Old Colony	.02⅛	.02½	.02	.02
1	.01	.00½	Ophir	.01	.01	.01	.01
1	.10¼	.05	Oriole	.06	.07	.06	.06½
1	.21	.07	Osisko	.20	.20	.16	.20
1	.25	.25	Parkhill	....	.25	.25	.25
1	.05	.01½	Pawnee Kirk.	.03½	.05	.03½	.05
None	1.61	.70	Pend. Ore.	1.45	1.45	1.32	1.35
1	.04¼	.02	Pete Cobalt	.02	.02½	.02½	.02½
	.50	.50	Phy. Molybd.	.50	....	....	....
1	.01¼	.00¼	Picard	.00½	....	....	....
1	.12	.07	Pioneer	.09	.08	.07	.08
1	.02¼	.00¾	Porc. Crown	.01	.01	.01	.01
1	.01½	.00½	Potter Doal.	.00¼	.01½	.01	.01½
1	.99	.65	Prem. Gold.	.70	.99	.71	.95
1	.02¼	.01	Preston E. Dome	.01	....	....	....
1	.25	.14	Quemont	.20	.25	.20	.20
1	.01¾	.00½	Ribago	.01	.01	.01	.01
1	.34	.24	Rich. Rock.	.33	.33	.33	.33
1	.15	.03½	Ritchie	.07	.08¼	.06	.06½
1	.04	.02	R. Montbray	.02½	.02¼	.02	.02
1	.05	.04	Rubec	.04	....	....	....
1	*.08	.01	Salmo Mal.	....	....	....	....
None	.25	.10¾	San Antonio	.19½	.23	.18	.23
1	.21	.16	Seven Troughs	.16	....	....	....
1	1.25	.75	Sherritt G.	1.12	1.10	1.00	1.00
1	.54	.36	Siscoe	.52	.53	.47	.53
1	.18	.03¼	So. Keora	.05½	.09	.05¾	.06
None	.05	.02½	Stadacona	.03¼	.04	.03	.03¼
1	.20	.03½	St. Anthony	.12	.18	.12	.18
None	.82	.51	Sud. Basin	.71	.78	.70	.78
1	.03	.01	Sud. Contact	.02⅜	.02¼	.02¼	.02¼
1	.03¼	.00½	Sudbury M.	.02¼	.02⅛	.02	.02½
None	.04¾	.01	Sudbury N.	.02¾	....	....	....
1	1.14	.48	Sylvanite	1.07	1.14	.95	1.01
1	.20½	.04	Tashota	.16	.20½	.15½	.16
1	8.65	6.15	Teck Hughes	8.30	8.65	8.30	8.40
1	.10½	.04	Telluride	.05	.05	.04½	.05
1	.01½	.01½	Temiskaming	.01¼	....	....	....
1	.06½	.02½	Thom. Cad'c.	.05	.05	.04½	.05
1	.02½	.00½	Tough Oakes	.01	....	....	....
	.63	.20	Towagmac	.55	.50	.50	.50
None	2.65	1.00	Treadwell	2.15	2.00	2.00	2.00
None	2.85	2.40	Tri-Metals	2.85	....	....	....
	.15	.04½	United Kirk.	.12	.15	.11	.14
	.03	.02	Vacuum Gas	.02¼	.02½	.02½	.02½
None	.86	.40	Ventures	.70	.72	.65	.65
1	.10	.01½	Vickers	.07	.10	.07½	.10
1	1.22	.99	Vipond	1.19	1.22	1.11	1.15
None	2.00	1.50	Waite Ack.	1.70	1.65	1.60	1.60
1	.03	.01	West D. Lake	....	....	....	....
1	.02½	.01	West Tree	.01½	.01½	.01	.01
1	.27	.15	White Lake	.16	.17	.16	.16
1	.06	.03	Wiltsey	.05	.04½	.04½	.04½
None	.01½	.00½	Windfall R.	.01	....	....	....
	.13	.06	Wood Kirk.	.09½	....	....	....
None	3.02	1.85	Wright-Har.	2.90	3.02	2.72	2.98

WESTERN OIL STOCKS

Par Val	Range High	1931 Low	Company	Close April 6 (or last)	High for week	Low for week	Close Apr.13
1	.30	.16	Acme	.23	.26	.22	.24
1	*2.10	2.00	Admiral	....	....	....	....
None	.50	.50	Advance	.50	....	....	....
1	.37	.18¼	Alta Pac.	.31¼	.33	.30¼	.33
1	.08	.07	Amalgamated	.08	....	....	....
None	.25	.09½	Associated	.11	.12	.10	.10
1	1.89	1.37	Ajax	1.47	1.45	1.40	1.45
None	.12	.05	Baltac	.06	.05½	.05	.05
1	.07	.05	Black Dia.	.05	....	....	....
1	.33¼	.17	Brit. Dom.	.18¼	.19	.17	.17
1	.32	.12½	Calmont	.14	.15	.13½	.14
	.82	.50	Calgary & Ed.	.50	.53	.50	.50
None	.47	.12	Comm. Pete.	.14¼	.14	.14	.14
None	.60	.30	Dalhousie	.38	.40	.33	.35
None	.08	.05	Devenish	.07	.07	.07	.07
None	.12	.06	Dome Oil	.06¼	.07	.06	.06
None	.69	.32	E. Crest	.40	.56	.39	.46
1	.05	.02	Fabyan Pete.	.04½	.04	.03	.04
None	.60	.40	Foothills	.60	....	....	....
None	.18½	.05¼	Freehold	.06	.06½	.05½	.06
1	.02	.01½	Great West	.02	....	....	....
1	.17	.05¼	Hargal	.09½	....	....	....
None	.10	.03½	Herron Pete.	.03½	....	....	....
None	.07½	.05	High Sarcee	.05½	.06	.05½	.05½
None	2.00	.90	Home	1.00	1.05	.90	.90
None	.22	.09½	Homestead	.10½	.10½	.09½	.10½
1	.08½	.02	Ill. Alta	.02	.02½	.02	.02¼
None	.70	.20	Lowery	.24	....	....	....
1	.05	.01½	Madison	.01½	.02½	.01½	.02½
1	.85	.45	Mayland	.46½	.54	.46	.54
1	.11	.04¼	McD.S.Ex.	.04½	.06	.04½	.06
1	.29	.05½	McD. S.M.	.06	.06	.05½	.06
1	.72½	.28	McLeod	.38	....	....	....
None	.39	.14	Mercury	.15	.15½	.14	.14½
None	.20	.11	Merland	.14½	.18	.14	.17½
1	.18	.10	Mid West	.11	.11	.11	.11
None	.38	.16	Mill City Pete	.18	.16	.16	.16
1	.49	.24	Model	.25	.27	.24	.27
1	.18	.07	Monalta	.08	.08	.07	.07
1	.31	.07	Moose M.	.08	....	....	....
1	.17	.07	New Federal	.02	....	....	....
1	.56	.26	Nordon	.48½	.48	.41	.41
None	.08½	.02½	Oil Select	.07½	.08½	.07½	.08½
None	.28	.20	Okalta	.10	.12	.11	.11
100	27.00	25.00	Do. pref.	27.00	25.00	25.00	25.00
None	.22	.05	Olga Gas & Oil	.17	.22	.15	.20½
1	.37½	.24	Petrol	.28	.33	.30	.33
None	.28	.15	Penn Pete	.14	.15	.12	.14
None	.25	.14	Ranchmen's	.14½	.15	.13	.13
1	.05	.02	Regent	.02	.02½	.02½	.02½
None	.13	.07½	Richfield	.08½	.10½	.08½	.10½
None	17.75	10.00	Royalite	10.80	11.60	10.50	10.75
1	.75	.40	Sarnia Oil	.75	.70	.40	.60
1	*.50	.15	Sioux City	....	....	....	....
1	.06	.03½	Signal Hill	.04½	.04½	.04	.04
1	.60	.27½	Spooner	.28½	.30	.30	.30
1	.27	.20	So. West Pete	.15	.15	.15	.15
None	.19	.09	Sterling Pac.	.11	.12½	.11	.12½
1	.16	.14	Turner Valley	.14	....	....	....
None	.31	.15½	United	.18	.18	.15½	.16
None	*.83	.19	Vanalta	....	....	....	....
1	.15½	.10½	Vulcan	.10½	.11	.10½	.11
None	.05	.01½	Wainwell	.02	.02½	.02	.02
1	.28	.15	Waite Valley	.15	....	....	....

VANCOUVER STOCK EXCHANGE

(Transactions for week to April 7)

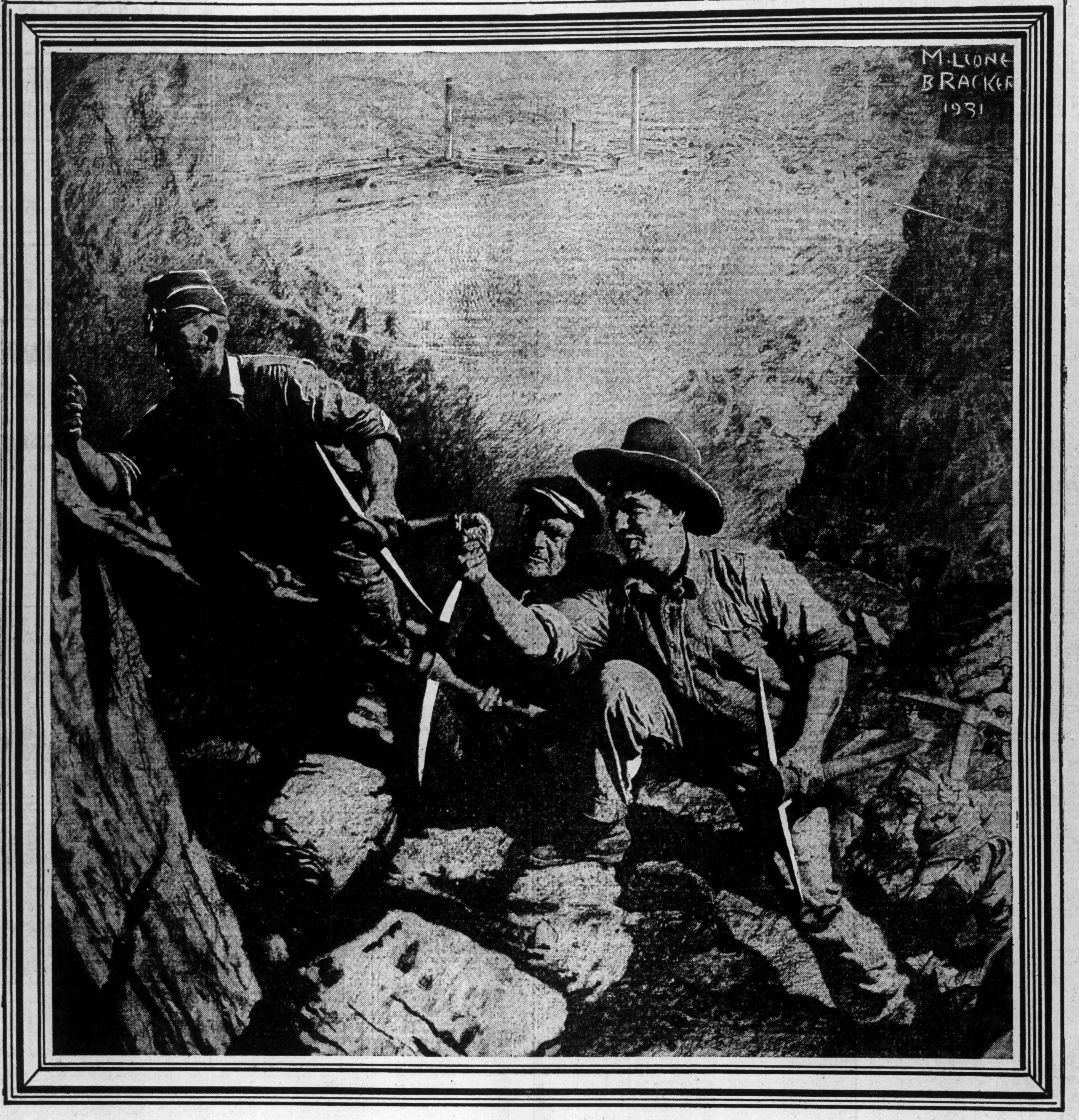
Par Val	Range High	1931 Low	Company	Close April 6 (or last)	High for week	Low for week	Close Apr.13
25c.	.01	.00¼	Bayview	.00¾	....	....	....
25c.	.05¼	.01	Beaver Silver	.04¾	.05½	.05	.05
25c.	.70	.70	B.C. Silver	.70	....	....	....
25c.	.02½	.02	Bluebird	.02	....	....	....
25c.	.01	.00¾	Cork Province	.01½	....	....	....
1	.20	.12	Cotton Belt	.12	....	....	....
1	.04	.02	Dunwell	.02	....	....	....
1	.10	.06	Duthie	.06	....	....	....
1	.90	.60	George Copper	.70	....	....	....
1	.05	.03	Geo. Enterprise	.03	....	....	....
50c.	.05	.01¼	Georgia River	.03	....	....	....
1	.01	.01	Gladstone	.01	....	....	....
10c.	.03	.02¼	Glacier	.02½	....	....	....
50c.	.02½	.01	Golconda	.38	.36	.36	.36
1	.45	.31	Grandview	.05	.05½	.05	.05
None	27.50	27.50	Howe Sound	27.50	....	....	....
1	.17½	.14	Intern. Coal	.14	....	....	....
1	.01½	.01	Independence	.01	.01	.01	.01
1	.01½	.01	Indian Mines	.01	....	....	....
1	.43	.40	Jack Waite	.40	....	....	....
25c.	.01½	.00½	Kootenay King	.00½	....	....	....
25c.	.00½	.00¼	Lakeview	.00¼	....	....	....
1	.12	.12	Los. Ang. Van.	.02½	....	....	....
10c.	.03½	.01¼	Lucky Jim	.01	....	....	....
25c.	.01	.00½	L. & L.	....	....	....	....
2.50	.14	.05	Marmot Gold	.01	....	....	....
50c.	....	....	Marmot Metals	.00½	....	....	....
25c.	.00½	.00¼	Mohawk	.22	....	....	....
1	.22	.14	Montana Mines	.03	....	....	....
1	.05	.02	Morton Woolsey	.02¼	....	....	....
50c.	.09¼	.04½	National Silver	.08	....	....	....
50c.	.10	.05	Noble Five	.09	....	....	....
50c.	.10	.05	Oregon Cop.	.09	....	....	....
1	1.75	1.23	Pioneer Gold	1.58	1.60	1.60	1.60
1	.16	.03	Planet Mines	.04	....	....	....
1	.08	.07	Porter Idaho	.08	....	....	....
50c.	.02	.01½	Premier Border	.01¼	....	....	....
None	.55	.07	Reeves McD.	.48	.42	.42	.42
None	.23¼	.11	Reno Gold	.23½	.23½	.23	.23
1	.03	.02	Rufus Argenta	.03	....	....	....
1	.07	.04	Ruth Hope	.07	....	....	....
1	.05¾	.04	Silverado	.05½	....	....	....
25c.	.03	.01¼	Silver Crest	.02½	....	....	....
50c.	.05	.03	Snowflake	.03	.03	.03	.03
1	.45	.30	Sunloch	.30	....	....	....
50c.	.01½	.01½	Topley Rich.	.01½	....	....	....
20c.	.01	.01	Wellington	.01	....	....	....
1	.05	.05	Whitewater	.05	....	....	....
None	.03¼	.01	Woodbine	.01	.01	.01	.01

*Quotations for 1930. No sales recorded in 1931 to date.

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Cons. Smelters	$12.50	8.33	Premier	12c.	12.63
Dome Mines	$1	8.88	Royalite	50c.	....
Hollinger	65c.+5c.	8.43	Spooner Oils	6c.	....
Inter. Nickel	60c.	3.33	Sylvanite	2c.	1.98
Lake Shore	$1.20+30	5.45	Teck Hughes	60c.	7.14
McIntyre	$1	4.03	United Oils	5c.	....
Model Oils	12c.	....	Wright-Har.	10c.	3.35
Nipissing	30c.	19.34			

1881 FIFTIETH ANNIVERSARY 1931



RAILS *and* RESOURCES

WHERE the forces of nature upheaved the vast barrier of the Canadian Rockies the picks of the first construction crews uncovered mineral deposits. The rails that led to the mines subsequently furnished a means of developing and marketing their ores. ¶ No one ever dreamed that linking the oceans by rail would disclose so much treasure this side the Pacific. ¶ Steadily the road goes on, today as then, discovering, developing, settling and building the Dominion.

CANADIAN PACIFIC TODAY

The Canadian Pacific Railway runs from the Atlantic to the Pacific Ocean. Its liners sail from Vancouver and Victoria to Japan and China, and from Montreal, Quebec and Saint John to Great Britain and the Continent. It operates winter cruises to the Mediterranean, the West Indies and Round the World, and a winter service to Bermuda. Its chateaux and hotels represent the latest word in comfort and luxury. Its telegraph service employs 225,000 miles of wire. Its express travellers' cheques are current all over the world. Canadian Pacific offices and agents are to be found everywhere.

The Canadian Pacific Railway maintains a Department of Development, the chief function of which is to initiate, stimulate and foster the development of natural resources in the territory served by its lines. The Department is continually engaged in obtaining and distributing reliable information regarding a wide variety of these resources, developed, partially developed, or wholly undeveloped, included under five main groups—minerals, forests, agriculture, fisheries and water power.

CANADIAN PACIFIC

Featuring Fixed Trusts—Pages 13 to 17

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, APRIL 16, 1931 | 10c a Copy; $5.00 a Year | No. 16

INVESTMENT FORM NEW TO CANADA GETS WIDE DISTRIBUTION

Fixed Trusts Differ In Method of Handling Fractions and Split-ups

Distributive Type Yields Highest Annual Return to Investor

SPLIT SHARES SOLD

Break-up Value Lower as Income Represents Partial Return of Capital

All fixed trusts may be grouped under one of two major classifications. There is a distinct line of demarcation between the two types based on the policy followed in distributing or in retaining fractional shares and split shares in the portfolio. The distributive type provides larger distributions during the life of the trust while the capital accumulative, or cumulative, type should provide a greater break-up value at the termination of the trust.

The first fixed trusts to be formed were chiefly of the distributive type. The semi-annual payments to shareholders consist of all regular cash dividends received during the period as well as the proceeds of sale of all stock dividends, rights or split-up shares. There would be no accretion of shares from such sources of stocks within the portfolio which would contain the same number of shares of each underlying stock at the termination of the trust as was held in the unit upon formation of the trust.

Must Sell Shares

If, for example, four old shares of C.P.R. were contained in each unit and the C. P. R. stock was split four for one, as actually happened, the trustee would receive 16 new shares in exchange for the four old shares and would, under the provisions of the trust, be required to sell 12 of the new shares and distribute the proceeds of sale among shareholders.

If the original four shares had a value of $200 per share, or a total investment per trust unit of $800, and, after the four-for-one split, the 16 new shares also had a value of $800, the trustee could retain only four shares of the new stock valued at $200 and would distribute the $600

(Continued on page 14)

Cumulative Type Should Benefit by Accretion of Shares

RETAINS SPLIT SHARES

Higher Break-up Value Appeals to Investor Content With Moderate Income

The cumulative type of fixed trust differs from the distributive type in the policy of retaining as much capital as is possible within the portfolio. The value of the portfolio is thereby increased through accretion as well as by appreciation and the break-up value on termination of the trust is greater than in the distributive type. The investor must be content with a smaller income but stands to gain the most profit over a period of years.

In practice the cumulative type retains all split shares. If four old $100 par value shares of C.P.R. had been held in the portfolio for each unit, the trust would have retained all new shares arising from the four-for-one split and would then have 16 shares of C.P.R. The practice as regards stock dividends varies but as far as is practicable all such dividends are retained. In the distributive type all stock dividends would be sold.

Source of Disbursements

The semi-annual disbursements made by the cumulative trusts arise from cash dividends and bonuses and from proceeds of sale of rights just as in the case of the distributive type of trust. There may also be sale of fractional shares where the organization of the trust does not permit their retention.

If we assume that the portfolio of a cumulative trust has two shares of stock in each of 40 companies and one of these companies splits its stock two for one the split shares may be retained in the portfolio and that company would be represented by four shares in each unit. If a company declared a 50 per cent stock dividend the additional share thus obtained would also be retained in the portfolio. But, should the stock

(Continued on page 14)

TRUSTEE HOLDS VITAL POSITION; MUST BE SOUND

Continuation of Trust Depends Largely on Trustee's Duties

Once the investor has purchased shares of a fixed trust, entire dependence must be placed in the trustee for the carrying out of the terms of the trust agreement. It is highly desirable that the trustee should be a strong trust company, the integrity of which is unquestioned. It is also desirable that there be no connection between the trustee and the depositor company in order that full assurance may be had that the trustee will be impartial in carrying out the terms of the trust agreement.

This agreement specifies in detail the form of trust and the duties of the trustee. The trustee may only act in the interests of the trust shareholders in accordance with the terms of the agreement. Provision should be included that in the event of the trustee resigning this action can only take effect when a new and acceptable trustee has been appointed. It should also be stated that the trustee has no lien on the assets of the trust in such cases where the trustee is to receive compensation from the depositor company.

Fees Are Important

The trustee's fees come under three heads. There is first the fee for creating the trust shares which includes the examination and acceptance of deposits of underlying property and the issuance of certificates. Such fees are paid by the depositor out of the loading charge, which may include a straight charge of 25 or 30 cents a share for such service. There will also be a liquidation charge on termination of the trust or upon conversion. These may either be paid by the depositor or by the investor.

Continuing charges which reimburse the trustee for duties performed during the life of the trust amount to the largest item. These include the cost of collection of dividends and other income, the sale of property under the terms of the trust agreement, the payment of coupons and the conversion of certificates into the underlying stocks or cash. Payment for these duties must be assured or the trustee would resign, and in such circumstances it would be difficult to secure another trustee. Other continuing charges must also be met for counsel fees, audit fees, preparation for trust shareholders, of data for federal income tax purposes, publicity regarding the amount of disbursements to be made, etc.

The method of meeting these continuing fees is important. One method is the deduction of such costs from currently distributable funds held by the trustee but this generally holds good for only the trustee and in the event of insufficient income from the trust, the trustee is usually given a lien on the deposited assets of the trust. The trustee may receive its fee from the depositor company, which is satisfactory providing that the depositor will be in a position to make these payments throughout the life of the trust. In some cases where the depositor meets these charges a service fee is deducted while in other cases a reserve is set aside out of the original load to cover trustee's charges.

The trustee maintains at least one cash fund which is comprised of income of the trust that accrues until it is paid out at semi-annual intervals. Where a trust maintains a reserve fund there will be two cash funds and the trustee of the depositor may receive the interest on this money or it may be paid to the trust shareholder.

The method that is followed in providing for the maintenance of the trust should be disclosed to investors. If the provision is inadequate it may mean a premature termination of the trust.

Fixed Trust Shares, As Investment Medium, Become Popular in Depressed Stock Market

The fixed trust is a comparatively recent instrument of investment. That it has numerous advantages, particularly from the standpoint of the small investor, is admitted but full realization of the objective to be attained and a fine discrimination between fixed trusts should precede any committment.

The rise of the fixed trust in popular favor has been most rapid. In form the instrument is not new since similar trusts have been operating for many years. It is only since 1927 that offerings of fixed trust shares have been made in the United States and the movement first gained strength in 1929. In 1930 a large number of fixed trusts were formed and several were offered in Canada, while 1931 bids fair to see additional trusts and a great increase in volume of sales.

The fixed trust is based on the principle of diversification of investment among the common stocks of the leading corporations of today. The stocks selected are deposited with a trustee which issues trust shares representing a specified fraction of the stocks so deposited. These trust shares are, to all intents and purposes, warehouse receipts. Generally, no change may be made in the stocks selected for the portfolio except in the event of certain prearranged conditions taking place. Management is thereby reduced to a minimum. The trustee receives all income from the underlying stocks and distributes it to trust shareholders or retains it according to the instructions laid down in the trust agreement. Upon the termination of the trust, after a certain period of years, the assets of the trust are sold and the proceeds distributed to the shareholders.

Fixed trust shares offer the small investor an opportunity of participating in any prosperity that the companies, represented in the portfolio of the trust, may enjoy in the next few years. They enable the small shareholder to secure a diversified investment that could not otherwise be obtained. Such investors have purchased the bulk of the fixed trust shares sold in the past.

The appeal of diversification is not so potent with the large investor who can purchase the underlying stocks himself. To this class the fixed trust appeals on the basis of centralization or unification of investment, in the trust services rendered. There is also the question of a possible saving in succession duties in event of death and the comparative ease of handling the investment in the clearing of an estate. Ownership of fixed trusts shares also reduces in great measure the time and worry involved in the holding of 30 to 50 different securities and avoids the possibilities of injudicious trading.

Fixed trusts may be divided broadly into two types, the distributive type and the capital accumulative type. Income from the first type tends to be the greater since stock dividends and split-ups are sold and the proceeds returned as income to the investor. Such trusts are sold on the basis of high annual return which represents in part a return of capital. A reserve fund is usually a feature of this type of the trust and serves to stabilize semi-annual distributions of the trust at a minimum amount should income fall below the set amount for a certain period.

The capital accumulative type of fixed trust retains all split-ups and, in certain cases, fractional shares and there is a gradual accretion of the stocks held in the portfolio. While the investor receives a smaller semi-annual income from his trust shares, his principal is allowed to increase and the break-up value of this type of trust will be greater.

Between exponents of the two types of fixed trust, and of the various provisions peculiar to different trusts, there are wide differences of opinion. Each new fixed trust seeks as far as possible to avoid errors which may have been made by previous trusts. Some of the differences which occur between the fixed trusts are outlined in this issue.

The popularity of the fixed trust has come largely during a period of depressed stock prices when management trusts have shown on the whole a most disappointing record. In the fixed trust management is reduced to a minimum although some of the recent trusts tend toward an increase in discretionary powers allowed in elimination of stocks from the portfolio. In no case, however, does the fixed trust tolerate trading.

The question has been raised as to whether the fixed trust will continue in public favor, its adherents claim that it will; that as an instrument for investment the fixed trust is here to stay. Certainly the fixed trust offers definite attractions to investors. Its complete success as an investment medium will be a question that only the passage of time can fully demonstrate.

Shares Issued Bearer Form With Coupons

Fixed trust share certificates are usually issued in bearer form with coupons attached but may be registrable as to principal. The certificates may be issued in denominations of as small as five shares thereby permitting small investors to participate. Denominations are usually in multiples of five or ten up to the number of shares into which the unit is divided.

Distributions from the income of the trust are usually made semi-annually and the shareholders are notified directly or indirectly as to how much the distribution will be. Since the semi-annual distribution will vary according to the income of the trust during the semi-annual period, no definite worth can be attached to the coupon until the amount to be distributed on each share is calculated by the trustee. Paying agents are notified and shareholders are paid the determined amount upon presentation of the proper coupon.

A number of the fixed trusts being sold in Canada have designated one of the banks as Canadian paying agent and Canadian shareholders will find this a material convenience.

RESERVE FUND IS ESTABLISHED IN MANY TRUSTS

Principal is Set Aside to Maintain Income at Minimum Rate

IS INTEREST PAID?

Reserve is Feature of Distributive Type Trust—Subject to Criticism

Probably the majority of fixed trusts of the distributive type maintain a reserve fund for the stabilization of disbursements should income of the trust fall below a certain minimum during some period of its life. The reserve fund is not a feature of the cumulative type of trust. The reserve, in theory and practice, is subject to strong opposition from some quarters as being unsound. It does, however, serve a definite purpose and is a firmly established practice.

While no definite assurance can be given as to the amount or continuance of the annual income to be derived from an investment in fixed trust shares, sponsors of the distributive type of trust usually specify a minimum semi-annual disbursement of 30 or 40 cents per trust share. Should the income of the trust be insufficient, upon occasion, to meet this minimum payment, the reserve fund usually established out of the investor's original capital, may be called upon to provide the difference. When income of the trust increased the depleted reserve fund would be reimbursed.

Reserve Stabilizes

The record of the stocks in the portfolios of the various fixed trusts would indicate that the need of dipping into the reserve fund would occur only at the most infrequent intervals. It is quite possible in the case of many such trusts that there would be no need to dip into the reserve fund throughout the life of the trust. The fact that the reserve is maintained, however, gives some assurance that income from the investment in trust shares will be more or less definite so long as the reserve fund can function.

If on the other hand one or more of the corporations, whose stocks are included in the portfolio, should prove unsuccessful, the reserve might be

(Continued on page 14)

Comparison of Main Features of Fixed Trusts Offered in Canada Shows Wide Differences

Trust	Trustee	Type	Elimination Feature	*Loading Charge	Shares per unit	Portfolio				Total No. of Shares	No. of Companies	Interest Paid	Reserve	Re-Invest. Privilege	Conversion Privilege	Trust Ends
						Pub. util.	Rails	Oils	Indus.							
All-America Investors Corp. Trust shares, cum. series A.	Central Hanover Bank & Trust Co., New York.	Capital accumulative	Discretionary under certain conditions; no substitution	†8%	1,000	12	10	3	15	121	40	None	None	None	1 unit; less for cash no penalty	1960
All-Canadian Common Stock Trust Shares, Series A	Royal Trust Co., Vancouver	Distributive	Discretionary with administrator	6% of cost + 1/800 % Semi-annually on capital	1,000	7	1	2	14	315	24	None	None	None	½ unit; less for cash	1940 + 5
Canada-America Trust Shares	Royal Trust Co.	Distributive	Automatic when dividend 100 days in arrears. No substitution	5% of cost + 1% annually for distribution and ½ of 1% annually from gross rev. for Trustee	2,000	6	6	6	12	120	30	None	60c.	At bid price	¼ unit; less for cash no charge	1950
Canadian International Trustee shares	General Trust of Canada	Distributive	After dividend passed for 395 days. No substitution	5% of cost	2,500	7	4	3	11	295	25	On reserve only	48c.	......	1 unit; less for cash at 50c. per share	1955
Corporate Trust Shares	Chase National Bank, N.Y.	Distributive	After dividend passed for 395 days.	5% of cost	2,000	5	7	5	11	112	28	On reserve only	50c.	Semi-ann. at discount	1 unit; less for cash no change	1953
Diversified Trustee shares, Series C.	Chatham Phoenix National Bank and Trust Co.	Capital accumulation	No substitution or elimination	†6½% of cost	4,000	10	10	7	23	300	50	On accumulation	None	Semi-ann. at bid price	800 shares; less for cash no ch.	Indefinite
Five Year Fixed Trust Shares	Chase National Bank, N.Y.	Capital accumulative	After dividend passed 395 days, provides sale of any stock on 300% appreciation; no substitution	8% of Cost	500	4	3	18	..	120	25	On accumulation	None	None	1 unit; less for cash at 10c. a share	1935
First All-Canadian Trustee Shares	Capital Trust Co.	Distributive	None; provides sale of stock at predetermined price	5% of selling price	500 ord. 500 def.	4 7 mines, 4 banks	1	1	8	134	25	Accrues to def. shares	60c.	For 3 yrs. at 5% Discount from asked price	500 ordinary shares; less for cash, no charge	1942
Fundamental Trust Shares, Series A.	Bank of Manhattan Trust.	Capital accumulative	No substitution or elimination	7½% of cost	1,000	10	4	3	23	80	40	On Accumulation	None	Offering price less 5%	1 unit; less for cash no chr.	1950
Series B	Bank of Manhattan Trust Co.	Distributive	Do.	7½% of cost	1,000	10	4	3	23	80	40	On reserve and accumulation	60c.	Offering price less 5%	½ unit; less for cash no charge	1950
Independence Trust Shares	Pennsylvania Co. for Insurances on Lives	Distributive	After dividend passed. No substitution	8% of cost	1,000	8 10 banks 5 insur.	6	5	16	50	50	On accumulation	None	Offering price, less 50c.	1 unit; less for cash, no penalty	1950
Nationwide Securities Co. Trust Cert., Series B.	Central Hanover Bank & Trust Co.	Capital accumulative	Discretionary; re-investment in stocks in original unit	†6¼% of cost+25c per share	3,000	24 9 banks and insurance	8	4	32	331	77	On accumulation	None	None	1 unit; special provisions for under 1 unit	1950 + 10
New York Bank Trust Shares	Guarantee Trust Co. N.Y.	Distributive	Discretionary; re-investment provided from within portfolio	8% of cost + 3c per share annually	4,000	19 New York Banks and Trust Companies			..	278	19	On accumulation	None	5% Discount off net selling price	¼ unit; less for cash	1955
North American Trust Shares	Guaranty Trust Co.	Distributive	Discretionary on passing divid. compulsory 100 days after passing dividend	5% of cost	2,000	3	8	5	12	112	28	None	60c.	Bid price	¼ unit; less for cash no charge	1953
Super-Corporations of America Trust Shares, Series A.	Straus Nat Bank & Trust Co.	Distributive	Discretionary on div. reduction Compulsory if no dividend is paid for 6 months	†7½% of cost	2,000	7	5	3	15	132	30	On reserve and accumulation	50c.	Bid price	¼ unit; less for cash no charge	1950
Series B.	Straus Nat. Bank & Trust Co.	Capital accumulative	Do.	†7½% of cost	2,000	7	5	3	15	156	30	On accumulation	None	None	¼ unit; less for cash	1950
Series C.	Central & Hanover Bank and Trust Co.	Distributive	Discretionary with depositor; no substitution	†7½% of cost	2,000	7	5	3	15	268	30	On reserve and accumulation	50c.	Asked price less discount	¼ unit; less for cash no charge	1948
Series D.	Central & Hanover Bank and Trust Co.	Capital accumulative	Discretionary with depositor; no substitution	†7½% of cost	2,000	7	5	3	15	268	30	On accumulation	None	None	¼ unit; less for cash no charge	1948
Two Year Trust Shares	Central & Hanover Bank and Trust Co.	Capital accumulative	Discretionary with limit of five; no substitution	45c. per share + 6% of offering price	400	5 1 investment Trust		3	24	290	33	On accumulation	None	None	Any number; no charge	1933
United Fixed Shares	Empire Trust Co., N.Y.	Distributive	Discretionary on passing of dividend	8½%	2,400	6	10	2	22	160	40	On reserve and distribution	60c.	Asked price less 5% disc.	¼ unit; less for cash no charge	1950 + 2
United States Electric Light & Power Co. Shares, Series B.	Central Hanover Bank and Trust Co.	Capital accumulative	Discretionary; reinvestment in stocks in original unit.	†6½% + 25 cents per share	2,000	..	..	..	..	394	44	On accumulation	None	None	1 unit	1950 + 10

* Accurate comparison in tabular form is impossible due to various methods used in assessing load. Figures shown are taken from official sources but are not necessarily complete and do not include annual charges, if any.

† Exclusive of accumulation and/or reserve.

Fixed Trusts Render Diversity of Service At Reasonable Charge

Costs Are Not Comparable Since Policies May Vary

SHOULD BE STATED

Loading Charge May Consist of Invisible as Well as Visible Items

The loading charge of a fixed trust is the amount paid by the investor for all services rendered in the formation, distribution and maintenance of the trust, including profits to the sponsors and commissions to dealers and salesmen. The loading charge does not include the cost of the underlying stocks or the brokerage involved in their purchase. It is usually expressed as a percentage of the net selling price of the trust shares.

Profit to the distributor is not necessarily confined to a portion of the loading charge since there are a variety of ways in which small profits can be made and which are not always apparent. The extent to which these loopholes exist may very well point to the difference between a well-organized and reliably sponsored trust and one that has been hurriedly formed with the intention of "cashing-in" on the current popularity of this investment medium.

Comparison is Difficult

Opinion as to what constitutes a reasonable loading charge varies to a great extent, although it is notable that 62 per cent of replies to a question of the subject favored a low load and low commission to dealers as compared with a higher load of 8 to 9 per cent. Controversy on the subject is rife between exponents and opponents of the fixed trust as well as between sponsors of the various fixed trusts. In the first instance the argument is as to whether the loading charge is or is not all out of proportion to the service rendered. The second case is between competitors in the same field contending as to whether the loading charge of one is lower than that of the other. Unfortunately there are so many points entering into a comparison of actual loading charges that it is extremely difficult to determine the real charge which may consist of both visible and invisible items.

Charge is Legitimate

Considerable expense is involved in setting up a good fixed trust. Because this sale of fixed trust shares may run into the millions the cost is distributed among many investors and becomes relatively small in proportion to the services rendered. The small investor is afforded, presumably, the best of services at wholesale prices and in most cases the loading charge must be regarded as an entirely legitimate pro rata assessment of costs.

A large amount of research work by investment counsel is involved in the selection of the shares which are to be included in the portfolio; legal services engaged in the drawing up of the trust agreement should be of the best, and also will entail expense. The distributor company must be sufficiently remunerated that it will be to its advantage to maintain its existence for the duration of the trust and assure the continuation of such services as may devolve upon it. The trust company must also be retained and the trust services rendered are worth the cost. There is considerable advantage to be gained by a widespread distribution of the trust shares and both distributor and the dealer organization and salesman must make a profit.

Named General Manager

W. P. MACDOUGALL,

who has been appointed general manager of Belding-Corticelli Ltd., in succession to the late C. A. Reynolds.

There is, of course, nothing to prevent the individual investor from buying direct the securities in the fixed trust portfolio. If such an investor were to purchase the 40 stocks held by some fixed trust he would be in receipt of 160 dividend cheques each year and his income tax statement would become decidedly involved. The ease of handling a diversified investment is greatly simplified by the purchase of fixed trust shares and a number of wealthy investors have taken this way out of their problem.

Pricing The Trust Shares

In considering the various ways of determining and assessing the loading charge it is advisable to outline briefly the manner in which the cost price of the trust shares is compiled. Working on the basis of a unit, consisting of say 1,000 trust shares, the first item to be considered is the cost of the stocks underlying the unit and the brokerage charge for their purchase. There are various ways of taking the cost price of the underlying stocks as well as different methods of charging brokerage commissions. Some of these constitute loopholes previously mentioned in this article but there is no need to expand upon them at this point.

The stocks in the portfolio underlying the unit might have an aggregate market value of $12,000 to which must be added, say, $40 in brokers' commissions making the basic cost of the unit $12,040. If the loading charge amounted to 8 per cent of this basic cost another $971 would be added bringing the total to $13,011 to which would be added accumulations which might amount to $100 and possibly a reserve fund per unit of $300. This would give the unit a total value of $13,411 which, divided by the 1,000 trust shares in the unit, would place a selling price of $13,411 on each trust share. In most trusts the price is fixed at the next highest eighth which would bring the selling price to $13.50 per share. If the loading charge were to be expressed in terms of the net selling price, the basic cost, amounting to $12,040, would be 92 per cent of the net selling price. The latter would amount to $13,087 and the loading charge per unit would be $1,047.

An important point to consider in any statement of the load in terms of percentage is the basis of compilation. As shown above, the load may be considered in terms of basic cost which is most desirable or in terms of the net selling price which is usual. Certain trusts, however, figure the load on total selling price which would also include accumulations and possibly a reserve. This is not the fairest basis for it tends to show a much lower loading charge than is actually made on basic investment.

Uses Next Highest Eighth

The practice is usually followed in pricing the trust shares to an eighth of a point as is done in all listed stock issues. Seldom, however, does the price work out exactly to an eighth and the depositor generally retains the privilege of selling at the next highest eighth. In working out the value of a trust share above, the basic value, plus loading charge and accumulations worked out to $13,411 per share or between 13⅜ and 13½. If the price were taken to the nearest eighth the price would be $13,375 and the investor would profit by the difference, but since the price would probably be taken to the next highest eighth the depositor would get an additional 8.9 cents per share. This is regarded by the depositor as a market protection against liquidation.

The load is usually expressed, at least in part, as a percentage of the net selling price before addition of funds held by the trustee for the shares. As an example, if the trust shares were sold at $10 and the loading charge amounted to 80 cents per share it would be stated at 8 per cent of the net selling price. The amount actually invested in the underlying shares plus brokerage would in this case amount to $9.20 per share and the loading charge would therefore be 8.7 per cent of the funds invested.

All fixed trusts originally stated the load in terms of the selling price and the practice may be justified as being ordinary business procedure, although it might be more preferable from the investor's standpoint if load were stated in terms of the value of the underlying shares. Some movement is under way to state loading charge in this way but one difficulty is that the load appears higher. As shown above at 8.7 per cent load based on funds actually invested is equal to an 8 per cent load based on net selling price of the shares.

The loading charge is broken down by some depositors to show how much goes for issuance, deposit and trustee's fees and how much goes to the depositor for administration and distribution costs and profit. The profit that the depositor takes varies to a large degree between the various trusts, but with distribution of the shares in large volume the proportion of profit can be reduced to a fraction of one per cent and yet show substantial return to the sponsoring group.

Policies Vary

The difficulty in making an accurate comparison of the loading charges of the different fixed trusts will be realized when the wide variety of policies pursued by the various trusts are examined. Many of these policies result in an invisible load which may or may not be justified by the degree of risk to which the distributor is subject. It is desirable that the various points should be clearly stated in circulars descriptive of the fixed trust. If the policy followed by the distributor were stated, much of the objection to many of these points would be considerably lessened.

The first point of difference is in the policy of basing selling price on the odd-lot prices of stocks in the portfolio or the prices that apply on board lots. There is a differential of from ⅛ to ¼ of a point in favor of the latter. If the trust shares are being sold in quantity the distributor may buy at prices prevailing for board lots and retain the difference. Small investors would pay the necessary premium on odd-lot purchases in any event but for large investors it would constitute an addition to the loading charge.

Another item is the policy with regard to brokerage charges. Commissions charged by members of the New York Stock Exchange are on the basis of 100 share lots and range from $7.50 up with a minimum charge of $1. If each unit of a fixed trust were created separately and contained but one or two shares of each stock the minimum brokerage charge would be in effect; if purchasing was done on a larger scale there might be 12 times the number of shares bought at the same cost for brokerage. If trust purchases of underlying stocks are made at the standard brokerage rate but trust shareholders are charged the minimum rate of $1 the depositor is obtaining a profit from this source.

The trustee holds, for the account of trust shareholders, the income of the trust from which semi-annual distributions are made and in certain cases also holds a reserve fund. Whether or not interest is paid by the trustee should be stated clearly by the depositor. The trustee company may receive its remuneration in whole or in part from the free use of such funds. If such is the case, the interest lost constitutes a part of the load but it is impossible for the investor to calculate how much this would amount to. The fact that no interest is paid on accumulation or reserve should reduce the amount of the load stated in terms of the net selling price.

There are certain recurring charges during the life of the trust, principally the trustee's fees. These may be included in the original charge or the trustee may be allowed a very small percentage of the annual income of the trust and/or the use of monies in the distribution, reserve and revolving funds. Practice varies widely between the different trusts and the manner in which the trustee is paid is rather more important than the actual amount, since the trustee's fees are more or less uniform in nature. It may be advisable that all the trustee's charges be included in the first and only charge, and that the trustee should be paid in the first instance rather than be paid annually by the depositor company. The latter case presupposes that the depositor will remain a corporate entity for the duration of the trust; while this may be assumed it is not necessarily assured.

If the trustee were dependent upon the depositor for annual fees and the depositor failed for some reason to pay it might lead to the resignation of the trustee who might have recourse to the assets of the trust to meet expenses incurred. Neither possibility is desirable and steps have been taken by a number of fixed trusts to avoid such an eventuality. In many cases the trust indenture specifies that the trustee shall have no lien on the assets of the trust. Trustee's charges will naturally vary between different trusts due to the nature of the portfolio. The greater the number of stocks held, the greater the work involved. In some cases an arbitrary fixed charge of so much per share is made for cost of deposit, preparation and issue of trust share certificates. In other cases some charge is made upon conversion of fractional units into cash.

CUMULATIVE TYPE SHOULD BENEFIT BY ACCRETION OF SHARES

(Continued from page 13)

dividend have been only 25 per cent there would be one-half a share of additional stock accruing to each unit and since provision is not usually made for the retention of such fractions in the portfolio the fraction would have been sold and the proceeds would have been distributed as income.

While the sale of such fractions does constitute a return of capital such return is reduced to a minimum. An interesting development of recent date has been an attempt to retain fractional shares which would otherwise be sold. This is attained by setting up a small special fund with which fractional shares may be purchased.

The cumulative type of fixed trust appears to be attaining a greater popularity than it has had in the past. Investors have been interested in income and have bought into the distributive type of trust to the greatest extent. As the investor realizes that income in the distributive type comes partly from capital and that although the immediate return on the cumulative type is smaller the ultimate return is greater, it is probable that more shares of the cumulative shares will be sold.

No reserve for stabilization of distributions is maintained by the cumulative fixed trusts. The object of the trust is to attain the utmost in capital appreciation over a period of years and the tying up of a substantial proportion of the original investment in a reserve fund is not conducive to that end. In the cumulative type the sales appeal is based on this hoped for appreciation while in the distributive type the appeal is based to a much greater extent on the semi-annual return to be secured.

DISTRIBUTIVE TYPE GIVES RETURN TO INVESTOR

(Continued from page 13)

obtained from the sale of the remaining shares. Originally the investment in C. P. R. had a value of $800, after the split-up the investment in the same number of shares was only $200. The $600 paid out to shareholders was therefore a return of capital.

There is no objection to the distributive type of fixed trust if the investor does not consider such repayments as income. Larger semi-annual distributions are secured by the investor at the expense of the capital invested. Many of the fixed trusts of the distributive type now provide re-investment privileges whereby trust shareholders may plough back all or part of the income received from their trust shares into more trust shares at a price usually 5 per cent, or, in some cases, 50 cents, under the current asked price.

Permits Higher Return

The investor may desire a high annual income from his investment and in such case the distributive type of fixed trust would meet his needs. It should be realized, however, that part of the income is return of capital, and that the cumulative effect of the investment over a period of years is greatly retarded and that the break-up value of the trust units on termination of the trust may fall below the original investment.

Many of the trusts of this type definitely state the facts of the case, and so long as the investor is aware of the source of his return there can be no objection to this type of trust. Many of the trusts furnish their shareholders with annual or semi-annual statements showing the source of income in order that the investor can include these figures in his income tax report.

While the privilege of reinvestment in additional trust shares at a discount from the asked price is a sincere attempt to overcome the chief objection to the distributive type of trust it is not certain that this is an altogether satisfactory solution.

The reinvestment privilege entails some expense and although the trust shareholder can increase his holdings at a price under the asked price there are certain charges which must be met. These include the brokerage on the split shares that were sold and various trustee charges incidental to the issue of additional trust certificates.

While the portfolio remains in balance to the extent that the same number of shares are retained, the fact remains that the value of those shares has shown a reduction. In the example given above of the split of C. P. R. shares the decrease in the investment amounted to $600. Theoretically the companies splitting their shares might be regarded as being the most prosperous and if this were the case these companies would be the logical ones to retain in the portfolio.

Several depositor companies operate both types of fixed trusts usually similar in other respects and designated series "A," series "B," etc. The following figures represent the difference between the distributive and accumulative types of fixed trust and are based on the assumption that two trusts, being currently sold by the distributor, had been set up on June 30, 1920. The two trusts are identical except for the fundamental difference in policy as regards disbursements.

	Cumulative	Distributive
Original invest., June 30, 1920	$12,000	$12,625
Value of unit, June 30, 1930	44,875	9,876
Total distributions during period	13,601	21,506
Value of unit, June 30, 1930, plus distributions received	58,476	31,381
Value of invest., June 30, 1930, had all distributions been invested	79,273	82,155

It will be noted that while the distributions made to the shares of the distributive type of trust were much greater than those paid to shareholders of the cumulative type, the value of the unit on termination of the distributive trust was under the original investment while the cumulative trust had a break-up value largely in excess of the original investment. The total return to the investor in the distributive trust was considerably under that which would have accrued to the shareholder in the cumulative trust. The particular trusts were not actually formed until 1930, but the study of what would have happened in the past ten years had they been set up in 1920 may give some indication of what can possibly happen in the next ten years.

The last decade has witnessed a remarkable expansion of industry on this continent and to an even greater extent an increase in public interest in securities. Rights and stock split-ups have been numerous to a degree that leads some investment specialists to question whether the trend in future years will not show some decided change, particularly in respect to such companies as are included in the portfolios of the fixed trusts. If the tendency to split up shares and declare stock dividends wanes there will be less spread in the results obtained by the two types of fixed trusts than has occurred in the past.

Since the distributive type appeals on a basis of income rather than capital appreciation, it is essential that income should be stabilized in some degree. No guarantee is possible as to regular payment or definite return but an attempt is usually made to assure a minimum return by providing a reserve fund to assist in maintaining disbursements should the income of the trust be sufficient to meet the required amount. The character of the reserve fund is covered in another article. No reserve fund is set up in trusts of the capital accumulative type.

RESERVE FUND IS ESTABLISHED IN MANY TRUSTS

(Continued from page 13)

drawn upon heavily. Again, the record of stock dividends, rights and split-ups of the past decade may not be perpetuated in the future and upon these sources the distributive type of trust depends for a substantial proportion of its income.

The usual practice in forming a unit of a trust which has a reserve feature is to set aside an amount sufficient to meet the established minimum disbursement for one year. If this minimum was set at 30 cents per trust share, payable semi-annually, and there were 1,000 trust shares in the unit, the depositor would pay $600 to the trustee to cover two minimum semi-annual distributions per share. The trustee would thus hold against each unit of 1,000 trust shares issued, the stocks underlying the unit plus a reserve fund of $600. In most cases the reserve fund comes from the investor and represents a part of his capital. In the event of the trust shares selling at $10 and the reserve fund against each share amounting to 60 cents the investor would be leaving 6 per cent of his original investment on deposit in the reserve to provide some stability of income.

The economic justification for the reserve fund has been questioned on the grounds that income paid from this reserve represents a return of capital and that it is not logical that part of the money invested for the purpose of profit should be set aside to assure income. The reserve represents principal, on which interest may or may not be paid, which is retained to be paid out in the form of income should certain contingencies arise.

An interesting development that serves to avoid this objection is the provision made by an all-Canadian fixed trust whereby the sponsors provide the reserve for the shareholders' protection in consideration for a participation in any disbursements made to ordinary trust shareholders over and above the minimum payment required. The sponsors retain title to the reserve and receive interest on it but in the event of income being insufficient to maintain the minimum disbursement the trustee may drawn on the reserve for the benefit of the ordinary shareholders.

In a number of the fixed trusts the trustee agrees to pay interest on the reserve at current rates and such interest is part of the income of the trust and accrues to the trust shareholders. One method used in determining the amount of interest is the acceptance of New York Clearing House rates. In some cases the trustee is granted free use of the money in the reserve fund and also the accumulated income of the trust being held for disbursement. This represents, in part, remuneration for the trustee's services and is a somewhat obscure part of the loading charge of the trust. Interest might also be paid to the depositor for services.

The payment of interest on reserve and accumulated funds is a highly controversial point in connection with the fixed trust. It is desirable that the practice followed by the fixed trust should be clearly stated in the circulars descriptive of the trust. This is demanded by the New York Stock Exchange of all its members who may be distributing fixed trusts.

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RAILS
Atchison, Topeka & S. F. Ry. Co.
*New York Central R. R. Co.
Pennsylvania R. R. Co.
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Standard Oil Co. (Indiana)
*Standard Oil Co. (New Jersey)

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*Allied Chem. & Dye Corp.
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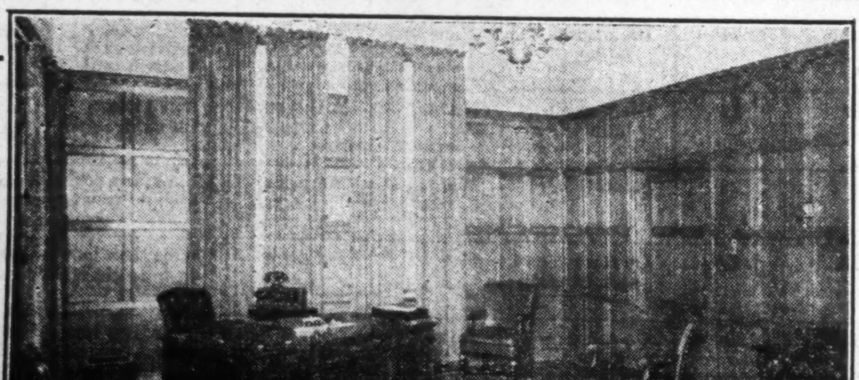
*Union Carbide & Carbon Corp.
*U. S. Steel Corp.
*Westinghouse Elec. & Mfg. Co.



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Ingersoll Rand
International Harvester
National Biscuit
Otis Elevator
United Fruit
United States Steel
Woolworth

Railroads
Atchison, Top. & Santa Fe
Illinois Central
Louisville & Nashville
New York Central
Pennsylvania Railroad
Southern Pacific
Union Pacific

Oils
Standard Oil of California
Standard Oil of Indiana
Standard Oil (New Jersey)
Standard Oil of New York
Texas Corporation

Utilities and Quasi-Utilities
American Tel. & Tel.
Consolidated Gas of N. Y.
General Electric
Westinghouse Electric
Western Union Telegraph

23 of these companies operate directly or through subsidiaries in Canada and have a substantial investment here.

MOODY'S COMPOSITE PORTFOLIO RATING "A"

An important factor in the tremendous success of Corporate Trust Shares has been the character of its sponsorship. The men who created this trust and are now sponsoring it have had long experience in this field. Considering the large number of investment trusts now offered, this fact has more than historical meaning.

One of the earliest successful fixed trusts to be brought out on this continent, Fixed Trust Shares, was set up and sponsored by these men. They were among the first on this side of the ocean to recognize the peculiar merits of the strong fixed trust and to make a close study of its structure and possibilities. They originated several methods of fixed trust operation that have since been generally adopted. Their thorough researches have yielded a great deal of information that has helped to establish the fixed trust as a highly secure and desirable type of investment.

CORPORATE TRUST SHARES are the result of long study of how best to safeguard the investor's interests and to assure him a high return. The confidence of investors in this trust is indicated by their purchase, during the year 1930, of more than 12,000,000 shares*, setting a world's record for shares sold in 1930, or in any other year by any investment trust.

*This does not include duplications resulting from resales.

Ask your investment house about
CORPORATE TRUST SHARES
Price at the market, about $6¼ per share

The offering price of CORPORATE TRUST SHARES is based upon current market prices of the deposited stocks, at odd-lot prices and 100 share lot brokerage commissions, and the proportionate aggregate amount of accumulated cash and other property (including the Reserve Fund) held by the Trustee, plus an allowance for expenses of issue and expenses and profits of distribution.

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Our special department, dealing in Fixed Trust investments, has prepared a bulletin outlining the important points to consider in the selection of this type of investment. Investors should find it a valuable and interesting guide. A copy will be mailed free on request. Ask for Bulletin TF2.

This department offers both to the investing public and financial institutions a complete statistical and quotation service on Fixed Trust investments.

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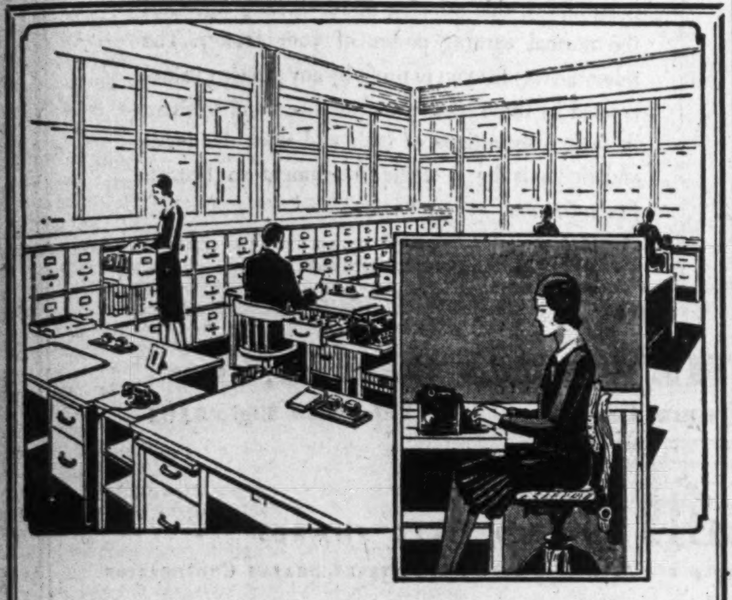
Furniture Production is Large

Furniture manufactured in the 367 establishments engaged in the industry in Canada had a value of over $44,000,000 in 1929. Practically the entire output of furniture made in Canada is sold in the Dominion. The value of furniture exported in 1929 was only $381,764.

Canadian Potteries Opens Plant

The new plant of the Canadian Potteries Limited at St. Johns has been formally opened and inspected by hundreds of persons including a party of jobbers and architects from Montreal. The plant is on a 22 acre plot within the city and will manufacture the vitreous china sanitary ware.



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Details of Some Fixed Trust Shares Being Distributed in Canada

All-America Investors

Depositor — All-American Investors Corp.

Trustee — Central Hanover Bank & Trust Co.

Maturity—Trust terminates June 1, 1960, subject to earlier termination under terms of agreement.

Type — Capital accumulative; semi-annual distributions June and December 15 are derived from regular and extra cash dividends, and proceeds of sale of rights; also, net savings effected in odd-lot premiums, brokers' commissions and fractional adjustments. Trustee retains all shares of common stock received upon a split-up or upon a stock dividend, except so much of a regular stock dividend as shall not exceed 2½ per cent quarterly. No reserve fund is maintained.

Loading Charge — Based on actual cost of deposited stocks including odd-lot premiums and brokerage commissions. Charge amounts to 8 per cent of net selling price of which 3 per cent is for issue, deposit, authentication and other trustee charges and for services to be rendered by depositor during the life of the trust. including originating profit, and 5 per cent for distributions costs, advertising and distributors' profit. Savings effected in odd-lot premiums, brokers' commissions and fractional adjustments are to be paid by the distributor to the trustee for distribution to trust shareholders. Trust shares are priced to the nearest eighth. Interest on cash held by trustee is applied to meet part of trustee's compensation, remainder being met by the depositor.

Unit — Is divided into 1,000 trust shares. Certificates issued in bearer coupon form in denominations of ten shares and upward.

Conversion—Holders of one full unit of 1,000 shares may convert into the underlying stocks with cash adjustment for any fractional interests. Holders of less than a full unit may convert shares into cash equivalent to the proportionate interest in the current market value of the deposited stocks, less brokerage and stamp taxes, plus any accumulations of cash. No charge for conversion.

Portfolio—Shares in 40 corporations of which 10 are railroads, 12 are utilities and 18 are industrials. Investment in each company is based on dollar diversification as well as geographical and industrial diversification.

Elimination of a stock from the portfolio is discrepancy with the depositor in the event of failure of a corporation to pay regular dividends or to maintain earnings up to its average in the preceding five years. Proceeds of any stock sold will be distributed to trust shareholders. No substitution is allowed except in case of merger, consolidation or reorganization.

The stocks contained in the portfolio of the trust with the number of shares of each underlying unit of trust shares is as follows:

Railroads
Atchison, Topeka & Santa Fe Rly. Co.
New York Central Railroad Co.
Norfolk & Western Railway Co.
Atlantic Coast Line Railroad Co.
Pennsylvania Railroad Co.
Union Pacific Railroad Co.
Illinois Central Railroad Co.
Canadian Pacific Railway Co.
Southern Pacific Co.
Northern Pacific Railway Co.

Utilities
American Power & Light Co.
Pacific Lighting Corp.
North American Co.
Columbia Gas & Electric Corp.
Peoples Gas, Light & Coke Co.
Consolidated Gas Co. of New York.
United Gas Improvement Co.
Public Service Co. of Northern Illinois.
Southern California Edison Co.
American Telephone Telegraph Co.
Commonwealth Edison Co.
Detroit Edison Co.

Industrials
American Can Co.
National Biscuit Co.
F. W. Woolworth Co.
Otis Elevator Co.
General Electric Co.
E. I. du Pont de Nemours & Co.
Allis-Chalmers Manufacturing Co.
Eastman Kodak Co.
Union Carbide & Carbon Corp.
American Smelting & Refining Co.
International Harvester Co.
Westinghouse Electric & Manufacturing Co.
American Tobacco Co. (Class B).
Borden Co.
United States Steel Corp.

Oils
Standard Oil Co. of California.
Standard Oil Co. (New Jersey).
Texas Corp.

Tractors in Prairie Provinces

There are 75,211 tractors in operation in the three Prairie Provinces of Canada—Manitoba, Saskatchewan and Alberta; 39,433 in Saskatchewan; 21,891 in Alberta and 13,887 in Manitoba, according to an estimate made.

All-Canadian Common Stock Trustee Shares Series A

Depositor—All-Canadian Investment Corp., a subsidiary of Yorkshire & Pacific Securities Ltd., Vancouver.

Trustee and Registrar—Royal Trust Co., Vancouver.

Maturity—November 1, 1940; may be extended 5 years or terminated on 2/3 majority vote of shareholders.

Cumulative Type—Semi-annual distributions, May 1 and November 1, to be made from regular and extra cash dividends, proceeds from sale of rights, cash bonuses and interest and from sale of stock dividends not in excess of 10 per cent per annum. Payment made at any office of the trustee in Canada.

Loading Charge—Depositor receives 6 per cent of the cost, at market, of the deposited stocks to pay all expenses incidental to the creation and issuance of the trust shares including all expenses incurred up to time of delivery of the trust share certificates to the purchaser.

The depositor company also receives a semi-annual payment, out of income amounting to ⅛ of 1 per cent of the capital, as defined in the trust agreement, as re-imbursement for supervision throughout the life of the trust.

"Under the terms of the trust agreement, the trustee is permitted to make reasonable charges for its services."

Unit—Consists of 1,000 trust shares represented by certificates in coupon or registered form issued in denominations of 5, 10, 25, 50, 100, and 500 shares.

Conversion — In multiples of 200 shares conversion can be effected through the trustee into either the underlying stocks or into cash, without charge. Holders of fewer than 200 shares may convert into cash on the basis of the market value of underlying securities on date of realization.

Voting Power—One vote per trust share, shareholders meetings to be held annually in December or either the depositor or the trustee may call a meeting on 15 days' notice.

A two-thirds majority of outstanding shares is necessary to extend the trust agreement for a further period of five years beyond November 1, 1940, or, to terminate the agreement or sanction any change in the agreement. Other questions may be decided by an affirmative vote of the majority of those present at a meeting providing at least 35 per cent of the trust shares outstanding are represented at the meeting.

Portfolio — Includes 24 Canadian companies, there being 315 shares of these companies deposited against each unit. Elimination is discretionary with the depositor or in the event of reorganization or liquidation of any of the underlying companies. Realizations on capital account must be re-invested by the trustee only in further shares of one or more of the underlying companies or, temporarily in Dominion of Canada bonds or secured call loans.

The securities underlying each unit of 1,000 trust shares are as follows:

No. Shares	Company
5	Bell Telephone Co.
20	Brazilian Traction.
20	British American Oil Co.
15	British Columbia Power Corp.
15	Canadian Pacific Railway Co.
5	Consolidated Mining & Smelting Co.
10	Dominion Bridge Co.
5	Dominion Glass Co.
5	Dominion Textile Co.
15	Ford Motor Co. of Canada.
5	Goodyear Tire & Rubber Co.
30	Gypsum, Lime & Alabastine.
20	Imperial Oil Co.
40	Imperial Tobacco Co.
20	International Nickel Co.
10	Montreal Light, Heat & Power.
25	Noranda Mines, Ltd.
5	Ogilvie Flour Mills Co.
6	Ottawa Light, Heat & Power Co
15	Sherwin-Williams Co.
5	Steel Co. of Canada.
10	Winnipeg Electric Co.

Canadian Financial Founders

Depositor—Canadian Financial Founders Ltd.

Trustee—Prudential Trust Co., Montreal.

Purchase Certificates—Issued in denominations of $1,200, and multiples thereof up to $9,600, on which payments are made by the investor at monthly, quarterly, semi-annual or annual intervals until the agreed sum has been paid over a period of ten years. Purchase certificates may also be paid outright.

Insurance Protection—Upon issuance of the purchase certificate the investor's life is insured for the amount of the unpaid balance of the payments due. Insurance is taken out under a group policy and, subject to certain conditions is granted without medical examination up to the amount of $9,600. Insurance is payable to the depositor company and in the event of the investor's death the proceeds of the policy would be sufficient to pay up the balance due on the certificate. Insurance is renewable every 90 days by the depositor company and investors in arrears in their monthly payments would not receive insurance protection until such arrears were paid off.

Loading Charge—An amount averaging some 1 2/3 per cent per annum of the face value of the certificate is deducted over the ten year period to meet all charges for administration, collection, fees and insurance premiums. This charge is greatest at the outset since insurance premiums are larger at that time.

Investment—As the investor makes periodic payments, the depositor deducts its service charges and purchases Diversified Trustee Shares, Series C, which are deposited with the trustee. This is a fixed trust of the capital accumulative type and is described elsewhere. Should investment in this fixed trust become impracticable the depositor will invest funds in another fixed trust of a similar nature. All income received from the fixed trust shares will be reinvested in additional fixed trust shares.

Upon payment of the face value of the purchase certificate in full the investor may receive his equity in cash or in Diversified Trustee Shares, Series C, which have been purchased for his account or may leave such shares with the trustee for further appreciation.

Withdrawal Rights—Upon discontinuance of payments after one year the investor may receive his equity in trust shares upon surrendering the purchase certificate.

Canada-America Trust Shares

Depositor—Canada-America Distributors Ltd.

Trustee—Royal Trust Co.

Paying Agents—Royal Trust Co. and Bank of Montreal.

Maturity—December 31, 1950. Trust may not be terminated by the sponsors.

Type—Distributive. Semi-annual disbursements, June 30 and December 31, are derived from cash and stock dividends, and split-ups.

A reserve fund of 60 cents per share is maintained to maintain payments at a minimum of 30 cents semi-annually. Shareholders are permitted to reinvest all of the semi-annual return above that received from regular and cash dividends on underlying stocks.

Loading Charge—5 per cent of selling price. Selling price is based on market value of underlying stocks, odd-lot brokerage, New York and Canadian brokerage commissions, accumulations and a charge of 18 cents per share for issue and deposit. These items amount to 95 per cent of the selling price, loading charges making up the remainder. Additional annual charges are met out of income of the trust.

Unit—Is divided into 2,000 trust shares. Certificates are issued in bearer coupon form in denominations of 10 shares and upward.

Conversion—No penalty or additional service fee is charged for conversion into underlying stocks or into cash.

Portfolio—Consists of common stocks of 30 Canadian and United States corporations, four shares of each stock being deposited to form a unit. The corporations include six public utilities, six railroads, six oil companies and 12 industrials.

Elimination of a stock from the portfolio is automatic when a company passes its dividend for a period of 100 days. In such case proceeds of sale are distributed to trust shareholders. No substitution is permitted except in case of certain re-classifications of stock, or merger, consolidation, reorganization or sale of property of any company.

The make-up of the portfolio is as follows:

No. of Shares	CANADIAN
4	Bell Telephone Co. of Canada
4	Canadian Pacific Railway Co.
4	Imperial Oil Ltd.
4	Montreal Light, Heat & Power Co.
4	Ogilvie Flour Mills Co.
4	Shawinigan Water & Power Co.
	AMERICAN
	Railroads
4	Atchison, Topeka, Sante Fe Railway Co.
4	New York Central Railway Co.
4	Pennsylvania Railroad Co.
4	Southern Pacific Co.
4	Union Pacific Railway Co.
	Oils
4	Royal Dutch Co. (New York Shares)
4	Standard Oil Co. of California
4	Standard Oil Co. of Indiana
4	Standard Oil Co. of New Jersey
4	Texas Corp.
	Industrials
4	Amer. Radiator & Stand. Sanitary Co.
4	American Tobacco Co. (Class B)
4	duPont (E. I.) de Nemours & Co.
4	Eastman Kodak Co. of New Jersey
4	General Electric Co.
4	International Harvester Co.
4	Otis Elevator Company
4	Union Carbide & Carbon Corp.
4	United States Steel Corp.
4	Westinghouse Electric & Mfg. Co.
4	Woolworth (F. W.) Co.
	Utilities
4	American Telephone & Telegraph Co.
4	Consolidated Gas Co. of New York
4	Electric Bond & Share Co.

Canadian International Trustee Shares

Depositor—Depositor Co. of Canada.

Trustee—General Trust of Canada.

Maturity—December 31, 1955. Depositor has no right to terminate trust.

Type—Distributive. Semi-annual distributions, January and July 1, are derived from cash dividends, sale of stock bonuses, rights and shares obtained from split-ups, and interest on the reserve fund. Neither depositor nor trustee has any lien on deposited property.

A reserve fund of 48 cents per trust share is maintained to stabilize semi-annual disbursements at a minimum of 60 cents per year.

Loading Charge — 5 per cent of selling price which includes market value of deposited stocks, brokerage, 25 cents per share for issue and deposit and proportionate amount of accumulations and reserve.

Unit—Is divided into 2,500 trust shares, certificates for which are issued in bearer coupon form in denominations of 10 shares and upward.

Conversion—A holder of a full unit may convert into underlying stocks without penalty. A holder of less than 2,500 trust shares may convert into cash at any time subject to a service fee of 50 cents per trust share.

Portfolio—Contains common stocks of 25 Canadian and United States corporations including seven public utilities, four railways, three oils and 11 industrials. Of the companies, ten are Canadian. Stocks must be eliminated from the portfolio after dividend has been passed for one year and 30 days.

The unit of investment is as follows:

No of Shares	Company
25	Bell Telephone
25	Brazilian Traction
25	Montreal L., H. & P. Cons.
25	Shawinigan W. & Power
3	American Tel. & Tel.
3	Cons. Gas of New York
3	General Electric
	Industrial
25	Dominion Bridge
25	Imperial Tobacco
25	National Breweries
25	Steel of Canada
3	American Tobacco "B"
3	duPont (E.I.)
3	Eastman Kodak
3	National Biscuit
3	Otis Elevator
3	United States Steel
3	Woolworth (F. W.)
	Railroads
25	Canadian Pacific Ry.
3	Atchison, Topeka Ry.
3	New York Central
3	Penn. Railroad
	Oils
25	Imperial Oil
3	Standard Oil (N.J.)
3	Texas Corporation

New York Bank Trust

Depositor — National Distributors

Trustee—Guarantee Trust Co. of New York.

Maturity—August 15, 1955.

Type—Distributive; semi-annual distributions, February and August 15, consist of all cash dividends; proceeds of sale of 20 per cent of all additional shares received from stock dividends or split-ups and all fractions then remaining in the unit; proceeds of sale of rights; and interest on accumulations held by trustee.

No reserve is maintained.

Loading Charge — Amounts to 8 per cent of net selling price before addition of accumulations. Price is adjusted to next highest eighth. An annual service fee of 3 cents per share is deducted from income of the trust and is paid to the depositor. From this annual fee the depositor pays trustee's charges.

Reinvestment Privilege—Shareholders may reinvest all or part of semi-annual distributions in additional trust shares at a discount of 5 per cent from the net selling price.

Unit—Consists of 4,000 trust shares, issued in bearer coupon form, registrable as to principal in denominations of ten shares and upward.

Conversion—Holders of 1,000 shares or multiples, may convert without penalty or additional service charge into their proportionate interest in deposited stocks with cash adjustment for fractions. Holders of less than 1,000 shares may convert into cash without penalty or charge.

Portfolio—Consists of shares of 19 banks and trust companies operating in New York City. There is approximately the same investment placed in each company in the portfolio.

Elimination of any stock in the portfolio is at the discretion of the depositor if any bank fails to pay a dividend at a rate at least equal to the average rate of four preceding regular dividends; or, if in the discretion of the depositor, any stock has become or is about to become impaired in value. Proceeds of such sale may be reinvested by the trustee in the stock of any institution included in the original unit, including any stock previously eliminated. Registered shareholders will receive notice as to such elimination and reinvestment.

The banks and trust companies, the shares of which were included in the original portfolio are as follows:

A deposited Unit, as present constituted, includes:

Shares	Institution
24	Bank of America National Association
3	Bank of New York and Trust Co.
15	Bankers Trust Co.
3	Brooklyn Trust Co.
6	Central Hanover Bank and Trust Co.
16	Chase National Bank of the City of N.Y.
20	Chatham Phenix National Bank & Trust Co.
32	Chemical Bank & Trust Co.
12	Corn Exchange Bank Trust Co.
30	Empire Trust Co.
½	First National Bank of the City of N.Y.
4	Guaranty Trust Co. of New York
45	Irving Trust Co.
8	Lawyers Title and Guaranty Co.
20	Manhattan Co.
16	National City Bank of New York
9	New York Trust Co.
14	Title Guarantee and Trust Co.
⅓	United States Trust Co. of N.Y.

Diversified Trustee Shares, Series C

Depositor — American Trustee Share Corp.

Trustee — Chatham Phenix National Bank & Trust Co.

Canadian Paying Agent — Bank of Nova Scotia.

Maturity—Trust may be terminated by depositor or trustee when less than 100,000 trust shares remain outstanding but any trust shareholder buying shares within 10 years of termination of the trust shall have returned that portion of the 6½ per cent loading charge that represents the unexpired portion of the ten years.

Type — Capital accumulative. Semi-annual disbursements, payable June 30 and December 31, shall be derived from regular and extra cash dividends, interest on accumulations and proceeds of sale of rights, and fractional shares remaining, after the division by five of the number of shares received by each unit through stock dividends or split-ups.

Reinvestment of semi-annual disbursements to shareholders is permitted at the bid price.

Loading Charge—Represents 6½ per cent of the total selling price. The loading charge includes all expenses covering deposit of stock, issue and sale of certificates and trustee's fees for duration of the trust. Selling price of the trust shares is based on aggregate market value of the deposited stocks at odd lot prices, brokerage commissions, and accumulated dividends. These amount to 93½ per cent of the selling price, the loading charge making up the remainder.

Unit—Represents 4,000 trust shares, certificates for which are issued in denominations of five shares and upward in bearer coupon form, registrable as to principal.

Conversion — Holders of 800 trust shares may convert into underlying stocks and holders of less than 800 shares may convert into cash to include cash accumulations without charge.

Portfolio — Contains common stocks of 50 corporations of which ten are public utilities, ten are railroads, seven are oils and 23 are industrials. Each trust unit contains 300 shares divided among these corporations, on the basis of five shares of stock in each corporation with the exception of four corporations which have split their shares since the trust was formed.

No provision is made for elimination of stocks from the portfolio or for any substitution.

Stocks of the following corporations are included in the portfolio, the number of shares referring to the number deposited in each unit. Originally the unit was comprised of five shares of each stock.

Shares in Unit	Rails
5	Atchison, Top. & Santa Fe Ry. Co.
20	Canadian Pacific Railway Co. (new).
6	Delaware, Lack. & West. R. R. Co.
5	Illinois Central Railroad Co.
5	Louisville & Nashville Railroad Co.
5	New York Central Railroad Co.
5	Pennsylvania Railroad Co.
5	Southern Pacific Co.
5	Southern Railway Co.
5	Union Pacific Railroad Co.
	Public Utilities
5	American Telephone & Telegraph Co.
5	Columbia Gas & Electric Corp.
5	Commonwealth Edison Co.
5	Consolidated Gas Co. of New York.
5	Consol. Gas, El. Lt. & Pwr. Co. of Baltimore.
5	Detroit Edison Co.
5	North American Co.
5	Pacific Gas & Electric Co.
5	United Gas Improvement Co.
6	Western Union Telegraph Co.
	Industrials
5	Air Reduction Co.
5	Allied Chemical & Dye Corp.
5	American Can Co.
5	American Car & Foundry Co.
5	Amer. Radiator & Stand. San. Corp.
5	Borden Co.
5	Du Pont (E. I.) de Nemours & Co.
5	Eastman Kodak Co.
20	General Electric Co.
5	Ingersoll-Rand Co.
5	International Harvest Co.
10	National Biscuit Co.
20	Otis Elevator Co.
5	Procter & Gamble Co.
5	Reynolds (R. J.) Tobacco Co.
5	Sears, Roebuck & Co.
5	Union Carbide & Carbon Corp.
5	United Fruit Co.
5	United States Steel Corp.
6	Westinghouse Electric & Mfg. Co.
5	Woolworth (F. W.) Co.
	Oils and Mines
5	American Smelting & Refining Co.
5	Atlantic Refining Co.
5	Kennecott Copper Corp.
5	Prairie Pipe Line Co.
5	Royal Dutch Co.
5	Standard Oil Co. of California.
5	Standard Oil Co. (New Jersey).
5	Standard Oil Co. of New York.
5	Texas Corp.

Corporate Trust Shares

Depositor—American Depositor Corp.

Trustee—Chase National Bank of the City of New York.

Maturity — December 31, 1953; may be terminated prior to this date by the trustee under certain conditions.

Type—Distributive. Semi-annual distributions, June 30 and December 31, are derived from regular and extra cash dividends, proceeds from sale of rights, stock dividends, split-ups, changes or eliminations in stock fund and interest from reserve fund.

Reserve Fund—Is maintained of 50 cents per trust share to permit a minimum semi-annual distribution of 35 cents. Interest is paid on the reserve.

Reinvestment Privilege — Shareholders may reinvest distributions from regular and extra cash dividends at the asked price of the trust share and the balance may be reinvested at a discount of 5 per cent under asked price.

Loading Charge—Is 5 per cent of the total cast price including accumulations, reserve fund of 50 cents per share and fee for issue and deposit of 25 cents per share. Price is adjusted to next highest eighth. In pricing, stocks are based on their high for the previous day.

Unit—Consists of 2,000 trust shares. Certificates are issued in coupon bearer form in denominations of ten shares and upward.

Conversion — Shareholders owning one unit of 2,000 shares may convert into the underlying stocks, reserve and accumulation without penalty. Holders of less than 2,000 shares may convert

((Continued on page 16)

DIVERSIFIED TRUSTEE SHARES
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Pacific Gas & Electric Co.
United Gas Improvement Co.
Western Union Tel. Co.

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Allied Chem. & Dye Corp.
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American Car & Fdy. Co.
American Radiator & Standard Sanitary Corp.
American Smelting & Rfg. Co.
Atlantic Refining Co.
Borden Company
Du Pont (E. I.) de Nemours & Co., Inc.
Eastman Kodak Co. (N. J.)
General Electric Co.
Ingersoll-Rand Company
International Harvester Co.
Kennecott Copper Corp.
National Biscuit Co.
Otis Elevator Co.
Prairie Pipe Line Co.
Procter & Gamble Co.
Reynolds (R. J.) Tob. Co.
Royal Dutch Co. (N. Y. Shs.)
Sears, Roebuck & Co.
Standard Oil Co. of Calif.
Standard Oil Co. (N. J.)
Standard Oil Co. of N. Y.
Texas Corporation
Union Carbide & Carbon Corp.
United Fruit Company
United States Steel Corp.
Westinghouse Elec. & Mfg. Co.
Woolworth (F. W.) Co.

Atchison, Topeka & Santa Fe Ry. Co.
Canadian Pac. Ry. Co.
Delaware, Lack. & West. R. R. Co.
Illinois Central R. R. Co.
Louisville & Nashville R. R. Co.
N. Y. Central R. R. Co.
Pennsylvania Railroad Co.
Southern Pacific Co.
Southern Railway Co.
Union Pacific R. R. Co.

A brief exposition of the cardinal principle of investment protection

To confine the investment of surplus funds to one or a few securities is to forego the manifold benefits of scientific diversification.

That is why the modern fixed investment trust is today the accepted medium for the safe and profitable employment of many millions of dollars. It solves the problem of how to obtain a participating interest in the profits of many corporations through one moderate investment. The widespread diversification which it provides limits risk of capital to a minimum by invoking the inexorable law of averages.

This time-proved principle of investment protection finds its ideal application in

Diversified Trustee Shares
Series C

In the portfolio of this soundly safeguarded fixed investment trust are included the common stocks of 50 outstanding corporations, diversified industrially and geographically. Even in the event that one of these carefully selected securities should, at any time, fail to equal expectations, the effect on the portfolio as a whole would be negligible. The occurrence of any such small fractional loss should, according to past experience, be more than offset by the gains of the others.

Diversified Trustee Shares Series C represent an investment in the future prosperity of both Canada and the United States.

Your local Investment Dealer will give you complete details upon request, or, if you prefer, write to American Trustee Share Corporation, 59 Wall Street, New York City.

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Representative: Burleigh, Smith & Co. VANCOUVER

Safety of Principal —Certainty of Income

Small or large investor,—we offer you participation in the collective earnings of 30 of North America's greatest Basic Industries named in the margin.

Canadian
Bell Telephone Co.
Canadian Pacific
Imperial Oil Ltd.
Montreal Heat and Power Co.
Ogilvie Mills Co. Ltd.
Shawinigan Power

American Railroads
Atchison Topeka and Santa Fe Railway Co.
New York Central
Southern Pacific
Union Pacific
Pennsylvania Railroad

Oils
Royal Dutch Company
Standard Oil Co. of California
Standard Oil Co. of New Jersey
Standard Oil Co. of Indiana
Texas Corporation

Industrials
American Radiator and Standard Sanitary Corp.
American Tobacco Co. Class "B"
du Pont de Namours and Company
Eastman Kodak Co. of New Jersey
International Harvester Co.
Otis Elevator Co.
Union Carbide and Carbon Corp.
United States Steel
Westinghouse Electric
Woolworth (F.W.) & Co.
Electric Bond & Share Co.

Utilities
American Telephone and Telegraph Co.
Consolidated Gas of New York
General Electric Co.

Canada-America Trust Shares

represent the device of a group of investment bankers to secure an investment which will permit them safely to reach into the earnings of these great corporations and their 1,678 subsidiary companies. They hold 24 Billions of Assets and nearly Eight Billions of Surplus and Reserve. Their common stocks have earned and paid dividends for an unbroken period of 29 years—average for the past 17 years of 14.4% per annum.

Practically every dollar spent on necessity or luxury by the citizens of North America is spent on the products of these industries whose operations are world-wide.

Can you visualize anything presenting greater assurance of perpetuity and consistent increase?

The plan adopted is: purchase of four shares each of the common stock of these 30 corporations which are deposited (together with accumulated dividends and reserve fund) with *The Royal Trust Company* who issue 2,000 Canada-America Trust Shares. The Royal Trust Company collects all of the 120 regular and extra dividends and makes payment to the holder twice a year.

We cannot too strongly recommend this opportunity to the non-speculative investor who seeks an income from the maximum of earning power compatible with absolute safety.

Ask your dealer for full details of this simple arrangement whereby you have a direct ownership interest in 30 of the strongest corporations, with an instant market at all times, regardless of the size of your holdings.

CANADA-AMERICA DISTRIBUTORS LIMITED
304 Bank of Hamilton Chambers,
WINNIPEG, CANADA

Details of Fixed Trusts (Contd.)

Corporate Trust Shares

(Continued from page 15)

into cash subject to a service charge of 50 cents per share.

Portfolio—Contains common stocks of 28 United States corporations of which there are four shares of each or a total of 112 shares, in each unit. The list includes five public utilities, seven railroads, five oils and 11 industrials.

Elimination of any stock is provided in the event of any company failing to make or declare a distribution for a period of one year and 30 days. No substitution may be made in the portfolio except in the event of reclassification of stock, or merger, consolidation, reorganization or sale of property of any company.

The portfolio of the trust is as follows:

No. of Shares	Company
	Utilities and Quasi-Utilities
4	American Telephone & Telegraph Co.
4	Consolidated Gas Co. of New York.
4	General Electric Co.
4	Westinghouse Electric & Manufacturing Co.
4	Western Union Telegraph Co.
	Industrials
4	American Radiator & Stand. San. Corp.
4	American Tobacco Co. (Class B).
4	duPont (E. I.) de Nemours & Co.
4	Eastman Kodak Co. of New Jersey.
4	Ingersoll-Rand Co.
4	International Harvester Co.
4	National Biscuit Co.
4	Otis Elevator Co.
4	United Fruit Co.
4	United States Steel Corp.
4	Woolworth (F. W.) Co.
	Railroads
4	Atchison, Topeka & Santa Fe Rly. Co.
4	Illinois Central Railroad Co.
4	Louisville & Nashville Railroad Co.
4	New York Central Railroad Co.
4	Pennsylvania Railroad Co.
4	Southern Pacific Co.
4	Union Pacific Railroad Co.
	Oils
4	Standard Oil Co. of California.
4	Standard Oil Co. of Indiana.
4	Standard Oil Co. (New Jersey).
4	Standard Oil Co. of New York.
4	Texas Corp.

First All-Canadian Trustee Shares

Depositor—Montreal Depositor Co.

Trustee—Capital Trust Corp., Montreal.

Maturity — December 31, 1942, or when 12 of the 25 deposited stocks shall have reached their fixed selling price.

Trust Shares—Against each unit of deposited stocks and a reserve fund of $300 are issued 500 non-voting participating ordinary shares and 500 non-voting participating deferred shares. Certificates for ordinary shares are issued in denominations of 5, 10, 25, 50, 100 and 500 shares, in bearer form with coupons attached. Certificates for deferred shares are issued in registered form in any denomination.

Distributions—This trust is of the distributive type, payments to be made semi-annually June 30 and December 31. Distributions will come from the following sources:

1. Regular and extra cash dividends on deposited stocks.
2. Cash proceeds from sale of subscription rights and stock dividends.
3. Cash proceeds from sale of deposited stocks and other property sold in accordance with the terms of the trust agreement.

Ordinary shares will receive a minimum of 30 cents semi-annually and 80 per cent of any distribution in excess of this amount. Deferred shares will receive 20 per cent of any excess.

Reserve Fund—A reserve fund of $300 per unit is deposited with the trustee and 500 deferred shares are received in return. This is sufficient to cover two semi-annual distributions of 30 cents on each of the 500 ordinary shares issued. Should income from the trust be insufficient to maintain this minimum rate the reserve fund may be drawn on for the balance. Deferred shareholders receive the interest on this reserve and part remaining upon termination of the trust.

Portfolio—Contains 134 shares of 25 Canadian common stocks including four public utilities, one railway, one oil company, eight industrials, four banks and seven mines. Invested funds are distributed approximately as follows: 20 per cent each in bank stocks, mining stocks and public utilities and 40 per cent in industrial stocks and others.

No elimination is provided except in the event of sub-division or re-classification of shares, merger, reorganization and sale of constituent companies.

Sale of Deposited Stocks—A fixed selling price is set for each of the deposited stocks. When stocks attained this prearranged level they must be sold by the trustee and proceeds distributed to ordinary shareholders.

A group of shares of common stocks as shown below composing stock unit and a cash reserve fund of $300 are deposited with the trustee from time to time, against which are issued 500 ordinary and 500 deferred first all-Canadian trustee shares.

No. of Shares	Company	Fixed Selling Price per Share
2	Page Hersey Tubes, Ltd.	$200
5	Price Bros & Co.	115
10	Imperial Oil Co.	50
5	National Breweries	70
10	Steel Co. of Canada	120
1	Bank of Nova Scotia	450
1	Canadian Bank of Commerce	375
6	Canadian Pacific Railway	65
5	Shawinigan Water & Power	125
5	Dominion Bridge Co.	120
10	Imperial Tobacco	20
1	Bank of Montreal	400
1	Royal Bank of Canada	400
10	International Nickel	75
10	Montreal L. H. & Power	175
5	Quebec Power	90
10	Hollinger Cons.	15
2	Penmans Ltd.	110
2	Consolidated Mining & Smelting	450
2	Bell Telephone Co.	175
2	Ogilvie Flour Mills	500
5	Lake Shore Mines	40
10	Dome Mines Ltd.	18
5	McIntyre-Porcupine	40
10	Teck-Hughes Gold Mines	15

Fundamental Trust Shares, Series B

Fundamental Trust Shares, series B, differ from Series A shares issued by the same depositor, in that the trust is of the distributive type. The composition of the two trusts are the same except for the difference in policy as regards retention of full shares and the maintenance of a reserve fund.

Series B shares recieve proceeds of sale of full shares secured by stock split-ups, dividends, etc. The semi-annual disbursements are therefore greater to the series B shareholders than to series A shareholders due to repayment of capital in the form of income. A serve of 60 cents per series B share is maintained to stabilize dividends. The selling price of the series B shares is therefore increased by this amount.

Conversion of 500 series B shares may be made into the underlying stocks with less than 500 shares can be converted into cash without charge. In all other essentials the series B shares are similar to the description of the Fundamental Trust Shares, series A.

Fundamental Trust Shares, Series A

Depositor—Fundamental Group Corp.

Trustee — Bank of Manhattan Trust Co., New York.

Maturity — December 31, 1930. May not be terminated prior to that date for any cause so long as a minimum of 100,000 shares of the series are outstanding.

Type — Capital accumulative. Semi-annual distributions, June 30 and December 31, consist of regular and extra cash dividends and proceeds of sale of all rights and stock dividends being in fractional shares; also interest on cash accumulations which is credited monthly. Interest is allowed at New York Clearing House rates.

Loading Charge—7½ per cent of selling price which is based on current prices of deposited securities, with brokerage commission of 100 share lot basis plus accumulations. Payment of trustee charge is made for entire period of the trust, on issue of certificates.

Reinvestment—Privilege is given to reinvest semi-annual distributions in additional trust shares (not less than ten shares) at a discount of 5 per cent under current market price of the shares.

Unit—1,000 trust shares. Certificates are issued in bearer coupon form in denominations of 10 shares and upward.

Conversion—Holders of 1,000 trust shares may convert into underlying stocks while smaller shareholders may convert into cash. No charge is made for conversion in either case.

Portfolio—Consists of the common stocks of 40 corporations against each unit two shares of each stock was originally deposited. The investment is diversified among ten public utilities, four railroads, three oil companies and 23 industrials.

No elimination or substitution may be made in any of the stocks comprising the units, except as may result from merger, readjustment, or reorganization of a company.

The companies included in the portfolio are as follows:

Shares	Companies
	Utilities
2	American Tel. & Tel. Co.
2	Columbia Gas & Electric Corp.
2	Consolidated Gas Co. of N. Y.
2	Electric Bond & Share Co.
2	Electric Pwr. & Light Corp.
2	International Tel. & Tel. Corp.
2	North American Co.
2	Pacific Gas & Elec. Co.
2	Public Service Corp. of N. J.
2	So. California Edison Co., Ltd.
	Rails
	Atchison, Topeka & S. F. Ry. Co.
2	New York Central R. R. Co.
2	Pennsylvania R. R. Co.
2	Union Pacific R. R. Co.
	Oils
2	Standard Oil Co. of California.
2	Standard Oil Co. of Indiana.
2	Standard Oil Co. of New Jersey.
	Industrials
2	Air Reduction Co.
2	Allied Chemical & Dye Corp.
2	American Can Co.
2	American Smelting & Refining Co.
*2	American Tobacco Co. B.
2	The Borden Co.
2	Corn Products Ref. Co.
2	Drug, Inc.
2	E. I. DuPont de Nemours & Co.
2	Eastman Kodak Co.
2	General Electric Co.
2	General Foods Corp.
2	General Motors Corp.
2	Int. Business Machines Corp.
2	International Harvester Co.
2	Liggett & Myers Tobacco Co.
2	National Biscuit Co.
2	Otis Elevator Co.
2	Paramount Publix Corp.
2	Sears, Roebuck & Co.
2	Union Carbide & Carbon Corp.
2	U. S. Steel Corp.
2	Westinghouse Elec. & Mfg. Co.

*Four shares in Series A units due to stock split-up.

Series B unit includes cash reserve fund of $600.

North American Trust Shares

Depositor—Distributors Group, Inc.

Trustee—Guarantee Trust Co. of New York.

Maturity—December 31, 1953. Under certain conditions the trust may be terminated prior to this date by the trustee.

Type—Distributive. Semi-annual distributions, June 30 and December 31, are derived from regular and extra cash dividends, proceeds from the sale of rights, stock dividends, split-ups and from sale of underlying stocks due to change or elimination. No interest is paid.

A reserve fund of 60 cents per trust share is maintained.

Loading Charge—5 per cent of total selling price including value of stocks at closing prices, odd lot fee, brokerage, accumulations, reserve fund and 18 cents per share for issue and deposit fee. Price is adjusted to next highest eighth.

Unit—Dividend into 2,000 non-voting trust shares. Certificates issued in bearer coupon form in denominations of 10 shares and upwards.

Conversion—500 trust shares or multiples thereof can be converted into underlying stocks without charge. Conversion of under 500 shares may be made for cash without charge.

Portfolio—Includes 28 companies of which three are public utilities, eight are rails, five are oils and 12 are industrials. Four shares of each company are held in each unit, a total of 112 shares.

Elimination is discretionary with the depositor if a regular dividend is passed and is compulsory if no dividend is paid for 100 days. No substitution is permitted except in the event of merger, consolidations or reorganizations.

No. of Shares	Companies
	Railroads
4	Atchison, Topeka & Sante Fe Rly. Co.
4	Canadian Pacific Railway Co.
4	Illinois Central Railroad Co.
4	Louisville & Nashville Railroad Co.
4	New York Central Railroad Co.
4	Pennsylvania Railroad Co.
4	Southern Pacific Co.
4	Union Pacific Railroad Co.
	Oils
4	Royal Dutch Co.
4	Standard Oil Co. of California.
4	Standard Oil Co. of New Jersey.
4	Standard Oil Co. of New York.
4	Texas Corp.
	Industrials
4	American Radiator & Standard Sanitary
4	American Tobacco Co.
4	duPont, E. I., de Nemours & Co.
4	Eastman Kodak Co.
4	General Electric Co.
4	Ingersoll-Rand Co.
4	National Biscuit Co.
4	Otis Elevator Co.
4	United Fruit Co.
4	United States Steel Corp.
4	Westinghouse Electric.
4	Woolworth, F. W., Co.
	Utilities
4	American Telephone & Telegraph Co.
4	Consolidated Gas Co. of New York.
4	Western Union Telegraph Co.

Independence Trust Shares

Depositor — Independence Shares Corp.

Trustee—The Pennsylvania Company for Insurances on Lives and Granting Annuities.

Maturity—October 1, 1950.

Type—Distributive. Semi-annual distributions, consist of all cash dividends and net cash proceeds of the sale of stock dividends, rights and split-ups, and interest on distributive fund. No reserve fund is maintained. Shareholders may reinvest semi-annual distributions in additional shares at 50 cents under current asked price. Two cheques are forwarded to shareholders semi-annually thus separating distribution of income and distribution of principal.

Loading Charge—8 per cent of selling price.

Unit—Is divided into 1,000 trust shares.

Conversion—Holders of 1,000 trust shares may convert into underlying stocks; fewer shares may be converted into cash without penalty.

Portfolio—Includes shares in 50 companies of which eight are public utilities, six are rails, five are oils, 16 are industrials, ten are banks and five are insurance companies. One share of each company is contained in each unit.

Diversification of investment is broader than in most fixed trusts since there is an interest in both banks and insurance companies.

Elimination of a stock is optional with the distributor if a regular dividend is passed or if the stock is likely to become impaired in value. Proceeds of such elimination are distributed to trust shareholders and no substitution in the portfolio is allowed.

The following companies are represented in the portfolio:

Utilities

American Gas & Electric Co.
American Power & Light Co.
American Telephone & Telegraph Co.
Consolidated Gas Co. of New York.
Electric Bond & Share Co.
Pacific Lighting Corp.
Public Service Corp. of New Jersey.
United Gas Improvement Co.

Rails

Atchison, Topeka & Santa Fe Ry. Co.
Chesapeake & Ohio Railway Co.
New York Central R. R. Co.
Pennsylvania Railroad Co.
Southern Pacific Co.
Union Pacific Railroad Co.

Oils

Atlantic Refining Co.
Standard Oil Co. (New Jersey).
Standard Oil Co. of California.
Standard Oil Co. (Indiana).
Texas Corp.

Industrials

Allied Chemical & Dye Corp.
Allis-Chalmers Manufacturing Co.
American Can Co.
American Tobacco Co. "B."
Borden Company.
Corn Products Refining Co.
E. I. duPont deNemours & Co.
Eastman Kodak Co.
General Electric Co.
General Motors Corp.
International Harvester Co.
National Biscuit Co.
Union Carbide & Carbon Corp.
United States Steel Corp.
Westinghouse Electric & Mfg. Co.
F. W. Woolworth Co.

Insurance Companies

Ætna Life Insurance (Hartford).
Fidelity-Phenix Fire Insurance Co.
Home Insurance Co. (New York).
Insurance Co. of N.A. (Philadelphia).
U. S. Fidelity & Guaranty Co. (Baltimore).

Banks

Bankers Trust Co. (New York).
Chase Nat. Bank of the City (N.Y.).
New York Trust Co. (N.Y.).
Manhattan Co. (New York).
National City Bank of N. Y.
Continental-Illinois Bank & Trust Co. Chicago).
First National Bank of Boston.
Union Trust Company (Cleveland).
Philadelphia National Bank.
Security-First Nat. Bank of Los Angeles.

Nation-Wide Securities Co.

Depositor — Nation-Wide Securities Co.

Trustee—Central Hanover Bank & Trust Co.

Maturity—May 1, 1950, subject to extension for ten year periods or may be terminated at any time on 30 days' notice to trustee by holders of 75 per cent of outstanding trust shares or by holders of 10 per cent of the outstanding trust shares and the company.

Type—Accumulative. Quarterly distributions, February 1, etc., derived from cash dividends and sale of rights and warrants and of stock dividends not in excess of 10 per cent.

Loading Charge—6¼ per cent of cost of underlying stocks at odd-lot prices plus 25 cents per share charge for issuance. Trustee's charges are paid for the duration of the trust on issuance of shares. Shares are priced to nearest eighth.

Unit—Is divided into 3,000 trust shares; registered certificates, issuable in any denomination and transferable at office of the trustee.

Conversion—Shareholders may convert holdings into cash through the trustee without charge other than stamps and commissions.

Portfolio—Contains common stocks of 77 companies diversified as follows: 24 public utilities, eight railroads, four oils, 32 industrials and 9 banks and insurance companies. The investment in each of the groups is as follows: 34.6 per cent in utilities, 18.2 per cent in railroads, 10.4 per cent in banks and insurance companies and 36.8 per cent in industrials. Investment in the various companies is weighted according to the opinion of the sponsors as to present importance and future outlook.

Elimination of any company from the portfolio is discretionary with the distributor. Proceeds from sale of an eliminated stock must be reinvested in stocks contained in the original portfolio.

The portfolio contains common shares of the following companies:

Ætna Life Insurance Co.
Allied Chemical and Dye Corp.
Aluminum Co. of America.
American Bank Note Co.
American Can Co.
American Gas & Electric Co.
American Power & Light Co.
American Radiator & Standard San. Corp.
American Smelting & Refining Co.
American Superpower Corp.
American Telephone & Telegraph Co.
American Tobacco Co.
Atchison, Topeka & Santa Fe Rly. Co.
Bankers Trust Co.
Bethlehem Steel Corporation.
Canadian Pacific Railway Co.
Central Hanover Bank and Trust Co.
Chase National Bank of City of New York.
Columbia Gas & Electric Corp.
Commonwealth Edison Co.
Commonwealth & Southern Corp.
Connecticut General Life Insurance Co.
Consolidated Gas Company of New York.
Consolidated Gas, Electric Light & Power Co. of Baltimore.
Corn Products Refining Co.
Delaware and Hudson Co.
Detroit Edison Co.
E. I. du Pont de Nemours & Co.
Eastman Kodak Co. of New Jersey.
Edison Electric Illuminating Co. of Boston.
Electric Bond & Share Co.
Electric Power & Light Corp.
General Electric Co.
General Motors Corp.
Great Atlantic & Pacific Tea Co.
Guaranty Trust Co. of New York.
Hartford Fire Insurance Co.
Insurance Co. of North America.
International Harvester Co.
International Match Corp.
International Nickel Co. of Canada, Ltd.
International Telephone & Telegraph Corp.
Johns-Manville Corp.
Kennecott Copper Corp.
Liggett & Myers Tobacco Co.
Montreal Light, Heat & Power Consolidated.
National Biscuit Co.
National City Bank of New York.
National Dairy Products Corp.
New York Central Railroad Co.
Niagara Hudson Power Corp.
Norfolk and Western Railway Co.
North American Co.
Otis Elevator Co.
Pacific Gas & Electric Co.
Pacific Lighting Corp.
Paramount-Publix Corp.
Pennsylvania Railroad Co.
Public Service Corp. of New Jersey.
Radio Corp. of America.
R. J. Reynolds Tobacco Co.
Sears, Roebuck and Co.
Southern California Edison Co.
Southern Pacific Co.
Standard Gas & Electric Co.
Standard Oil Co. of California.
Standard Oil Co. (Indiana).
Standard Oil Co. (New Jersey).
Texas Corp.
Union Carbide and Carbon Corp.
Union Pacific Railroad Co.
United Aircraft & Transport Corp.
United Corp.
United Gas Improvement Co.
United Steel Corp.
Westinghouse Electric & Mfg. Co.
F. W. Woolworth Co.

United Fixed Shares

Depositor — United States Shares Corp.

Trustee — Empire Trust Co., New York.

Canadian Paying Agent—Royal Bank.

Maturity—June 15, 1950; not terminable prior to that date but may be extended two years.

Type—Distributive. Semi-annual distributions, June 15 and December 15, derived from proceeds of regular and extra cash dividends, net cash proceeds from sale of all stock dividends, rights and split-ups and proceeds from any changes or eliminations, and interest on all cash in the trust.

Reserve Fund—60 cents per trust share. Interest on this fund and cash in the distributive fund is paid by the trustee at current rates of the New York Clearing House.

Reinvestment Privilege—Permits purchase of additional shares at a discount of 5 per cent under current offering price, by any shareholder whose semi-annual distribution is sufficient to pay for one trust share.

Loading Charge—8½ per cent of selling price which is made up of current market prices of underlying stocks with odd-lot premiums; brokerage commis-

(Continued on page 17)

Why are Certain Corporations

Outstanding Leaders?

40 *Builders of Wealth*

Air Reduction
*American Can
*American Radiator
*American Smelting
*American Telephone
American Tobacco B
American Water Works
Atchison
Atlantic Coast Line
*Borden
Columbia Gas & Electric
Commercial Solvents
Consolidated Gas—New York
Corn Products
*Delaware and Hudson
*du Pont
*Eastman Kodak
*General Electric
*Ingersoll-Rand
*International Harvester
*International Telephone
*National Biscuit
*New York Central
Norfolk & Western
*Northern Pacific
*Otis Elevator
Pennsylvania Railroad
Sears, Roebuck
Southern Pacific
Southern Railway
*Standard Oil—New Jersey
*Texas Corporation
*Underwood Elliott-Fisher
*Union Carbide & Carbon
Union Pacific
*United Fruit
*United Gas Improvement
*United States Steel
*Westinghouse Electric
*Youngstown Sheet & Tube

*25 of these 40 companies have substantial investments and carry on a growing business in the Dominion of Canada.

BECAUSE in their research and experimental laboratories they are continually discovering better methods . . . creating new products . . . finding new uses for their products . . . effecting economies . . . enlarging their markets.

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How to Profit by this Leadership

Such leadership creates growing common stock values. Viewed from the standpoint of their long-term possibilities, this growing power greatly increases the normal earning power of your money. The scientific way for you to profit by any growing values created by these leading corporations and to share in their distributions of cash and stock dividends and rights is by a single investment in UNITED FIXED SHARES.

Ask for the circular which gives the detailed profit record

MATTHEWS & COMPANY

255 Bay St., Toronto, Canada ***Telephone* Elgin 5191**

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UNITED FIXED SHARES

Trusts of the United Group are Sponsored by UNITED STATES SHARES CORPORATION

GENERAL TRUST OF CANADA

112 ST. JAMES STREET WEST
MONTREAL

Paid up Capital, $1,105,000

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Canadian International Trustee Shares

A Fixed Investment Trust

Diversification
With Security

GEOFFRION & CO., LIMITED
Investment Bankers

221 Notre Dame St. W., MONTREAL
QUEBEC OTTAWA PARIS

Canadian International Trustee Shares

The Fixed Portfolio

(As on April 1st, 1931)

Each Canadian International Trustee Share represents 1/2500th participating, non-voting ownership in a unit of common stocks constituted as follows:

	UTILITIES 46.91%	
25	Bell Tel. of Can.	21.15%
25	Brazilian Traction	3.19%
25	Montreal Lt. H. & P.	8.94%
25	Shawinigan W. & P.	7.87%
3	American Tel. & Tel.	3.24%
3	Con. Gas of New York	1.72%
3	General Electric	0.80%
	INDUSTRIALS 31.16%	
25	Dominion Bridge	7.12%
25	Imperial Tobacco	1.47%
25	National Breweries	4.75%
25	Steel of Canada	5.71%
3	Amer. Tobacco "B"	1.99%
3	du Pont (E. I.)	1.63%
3	Eastman Kodak	2.79%
3	National Biscuit	1.37%
3	Otis Elevator	0.84%
3	United States Steel	2.41%
3	Woolworth (F. W.)	1.08%
	RAILROADS 11.73%	
25	Canadian Pacific Ry.	5.79%
3	Atchison Topeka Ry.	3.15%
3	New York Central	1.84%
3	Penn. Railroad	0.95%
	OILS 3.30%	
25	Imperial Oil	2.16%
3	Standard Oil (N.J.)	0.71%
3	Texas Corporation	0.43%
	RESERVE FUND 6.90%	

The price of CITS is quoted daily by radio (Station CFCF) around 6.40 p.m.

CITS

CANADA—Her natural resources assure her economic future

The natural resources of Canada are one of the most important factors of her economic development: the area of cultivable land, forests, variety of minerals, abundance of power sites, fisheries, etc., all contribute to place Canada in an enviable position in international trade.

The large corporations of Canada who furnish the vital requirements of the population are the first to benefit from the development of such resources.

Canadian International Trustee Shares (CITS), grouping in a single investment, common stocks of 10 of the largest Canadian corporations (75% of the fixed portfolio) give the investors the privilege to participate in the rapid expansion of Canada; the added diversification in the common stocks of 15 of the largest American corporations (in the proportion of 25%), strengthens the stability of the investment.

The features of a sound investment are the outstanding characteristics of CITS, because of their diversification, security, yield and marketability.

The folder P 21 will be mailed upon request.

Trustee Holdings Distributors Limited

Wholesale Distributors

132 St. James Street Montreal

DEALERS' ENQUIRIES INVITED

Seasoned New York City Bank Stocks

. . . constitute the portfolio of

NEW YORK BANK TRUST SHARES

A FIXED TRUST

representing a group investment in stocks of the following leading New York City banks and trust companies — deposited with

GUARANTY TRUST COMPANY *of* NEW YORK, *Trustee*

Bank of America N. A.
Bank of New York & Trust Company
Bankers Trust Company
Brooklyn Trust Company
Central Hanover Bank & Trust Company
Chase National Bank
Chatham Phenix National Bank & Trust Company
Chemical Bank & Trust Company
Corn Exchange Bank Trust Company
Empire Trust Company
First National Bank
Guaranty Trust Company
Irving Trust Company
Lawyers Title & Guaranty Company
Manhattan Company
National City Bank
New York Trust Company
Title Guarantee & Trust Company
United States Trust Co.

NATIONAL DISTRIBUTORS CORPORATION
Depositor
52 Broadway, New York

FORTUNES have been made through long-term investments in leading New York City bank stocks. Over a period of years they have proven uniformly profitable. The purchaser of the fifteen or twenty leading New York City bank stocks, ten, fifteen or twenty years ago, would today have a substantial profit on each stock, while current dividend payments would give him a high return on his investment.

New York City Financial Center of World

While banking plays an important part in all business activities, banks as a rule are independent of any one industry or group of industries. This is particularly true of banking in New York City, which is today the financial center not only of the United States but of the world.

New York Banks International in Scope

From almost every city and town in the country funds flow for investment to New York City banks. Through their subsidiaries, their financial affiliates and their correspondents, these institutions extend their activities into virtually every important city in the world. Their profits are not dependent on the prosperity of any one city or any one section of the country.

Proven Efficiency of Management

Management is probably the most important single factor in the successful conduct of any business. The ability of the managements of New York City banks is demonstrated by the consistent growth of these institutions and the stability of their earnings even under unfavorable conditions such as the present.

New York Banks Time-Tested Institutions

Banking is a permanent business and the larger New York banks are time-tested institutions. The leaders twenty years ago are still the leaders today and, in our opinion, these same banking institutions will continue to be the leaders over the next twenty years.

A Group Investment through a Single Purchase

NEW YORK BANK TRUST SHARES offer investors an opportunity to acquire an approximately equal investment in the stocks of nineteen of New York City's leading banks and trust companies—selected because of their long unbroken dividend records, their past records of growth and the marketability of their stocks. Through a single purchase the investor shares in their combined earnings.

We recommend NEW YORK BANK TRUST SHARES for investment believing that at present levels they offer an attractive investment opportunity.

Price, at the market, about $8¾

Complete Information on Request

G. M.-P. Murphy & Co.
NEW YORK

Drury & Co
MONTREAL HALIFAX

We have accepted as accurate the information and statements contained herein, but this offering is made on the condition that no errors, omissions or misstatements herein shall give rise to any right or claim against us.

OPINION FAVORS SALE OF STOCK IN SOME CASES

May Temper Automatic Elimination With Discretion

The degree to which management enters into the operation of a fixed trust is largely determined by the provisions made for the elimination of stocks from the portfolio and in some cases provision for substitution or reinvestment. The sorry showings made by a number of investment trusts of the management type during the past two years led to a movement to get as far away from management as possible. This attitude has changed in some degree and at the present time, there seems to be a decided majority of opinion in favor of a limited or restricted management. This difference of opinion has resulted in the purely fixed trust and the semi-fixed trust.

Several of the prominent fixed trust have no provision for the elimination of any stock in the portfolio for any reason whatever. These are the only absolute fixed trusts. It is admitted by the sponsors of these trusts that there is a possibility that some of the companies whose stocks are included in the portfolio will cease to be considered leaders in their field and that investments in such companies may suffer. It is held, however, that the principle of diversification should function as a protective agent and that other companies represented will show a growth sufficient to more than counter-balance the losses on any weaklings that may develop.

Allow Sale of Stock

Most of the fixed trusts have included a provision in the trust indenture which authorizes the trustee to eliminate a stock for various causes. In such a case the stock is sold and the proceeds are placed in the distribution fund to be distributed to the trust shareholders although in some cases it is provided that the proceeds may be reinvested in some one of the stocks remaining in the portfolio.

Failure to pay a dividend for a stated period, such as 100 days, is one of the chief reasons for which a stock can be eliminated from the portfolio. This provision has been the subject of violent attack since it is held that in such case the stock market had fully discounted the condition of the company. North American Trust Shares, one of the oldest of the fixed trusts has this provision and the sponsors of this trust state that a study of over 2,000 companies which has suspended dividend payments indicated that 68 per cent failed to resume dividend payments and that of the 32 per cent that did resume payments a considerable number failed at a later date.

Where provision for elimination of any stock is included in the trust indenture it has been made automatic in a large number of cases. In other words, the conditions under which a stock shall be sold have been outlined at formation of the trusts and when such conditions become actual there is no other alternative for the trustee but to sell. While failure to pay dividends for a specific period is the chief reason for elimination it is usually provided that change may be made in the portfolio in case of reclassifications of stock, merger, consolidation, reorganization or sale of properties of any company. Such provisions are more or less stereotyped.

May Allow Discretion

In some of the more recent trusts a certain amount of discretion in the elimination of stocks from the portfolio is allowed. This movement has been brought about largely to overcome objections which were made to forced liquidation of stocks at prices that had fully discounted conditions which had led to passing of dividends. Discretion is usually provided in such cases only within certain limits after which elimination is automatic.

In the case of a well managed investment trust of the management type it might be possible to forecast the passing of a dividend and sell the stock before market depreciation of value had got fully under way. Since the fixed trust is without such management, certain sponsors of fixed trusts have attempted to devise formulae which would indicate that danger existed of the dividend being passed before such action was definitely taken.

One of the newer fixed trusts makes elimination of a stock discretionary if a company fails to maintain annual earnings or dividends equal to the preceding five-year average. In case of such failure an investigation would be made into the underlying causes. If business were depressed, as in the past year, holding of the stock might be warranted but should the earnings of the company be out of line with those of others operating in the same field and it was determined that the company was in a relatively unsound position the stock could be sold with the probability that such sale would be made prior to passing of dividends.

Some Take Profits

In several of the fixed trusts a stock may be sold when it attains a price that shows considerable appreciation on the purchase price. Such price is definitely established when the trust is formed. Such provisions are peculiar to the fixed trust of the distributive type and assure the investor that should market values of a stock go to the predetermined point, profits will be taken whereas if held until the termination of the trust prices might have receded from the high point reached. Such provisions usually allow for a generous appreciation before sale, but set a definite "ceiling" to the investor's return.

When a stock in the portfolio is sold by the trustee the proceeds of such sale may be handled in several different ways. A few trusts permit substitution of another stock for the stock eliminated. Such substitution is usually limited to the stocks remaining in the portfolio although in certain cases selection may be made from a reserve list. Some fixed trusts provide for reinvestment in their own shares which serves to keep the remaining stocks in the portfolio in the same portion to each other.

In the majority of cases, however, substitution is not permitted. Proceeds from the sale of a stock are distributed among shareholders together with other income derived from the various sources. This, of course, constitutes a return of capital and not a return on the original investment.

The elimination feature included in many of the fixed trusts is a protective provision which in a number of cases has a doubtful protective value. While the elimination feature is generally regarded as having merit it is, or should be, of most value when some discretion is allowed in connection with it, subject to automatic elimination should discretion fail.

Footwear Production Increased in February

Production of leather footwear in Canada during February, 1931, at 1,276,965 pairs, showed substantial increase over the January production of 984,924 pairs but was 169,645 pairs short of the output in February, 1930. Increase over January output was largely in women's footwear which comprised 43 per cent of February production. In the first two months of 1931 the cumulative production was 2,261,889 pairs, a decrease of $412,042 pairs or 15.4 per cent from the production in the corresponding period of 1930.

February imports of footwear, exclusive of rubber footwear, amounted to 46,565 pairs as compared with 28,849 pairs imported in January and 74,401 pairs imported in February, 1930. Imports during February from the United States formed 64 per cent of the total and from the United Kingdom, 24 per cent. Exports amounted to 1,053 pairs as compared with 670 pairs in the preceding month and 13,777 pairs in February, 1930.

Canadian production of boots and shoes in the first two months of the past three years has been as follows:

	1931 Pair	1930 Pair	1929 Pair
January	984,924	1,233,321	1,378,219
February ...	1,276,965	1,446,610	1,585,378

Selection of Portfolio Is of Vital Importance

Many Factors Enter Into Choice of Stocks Which Must Stand the Test of Time—Diversification Serves as Stabilizing Agent

The portfolio of an investment trust is the list of securities which the trust purchases from the proceeds of the sale of its own shares. In the management type of investment trust there may be a continual change in the portfolio dependent upon the degree to which the management is addicted to trading. In the fixed or semi-fixed type of trust the securities in the portfolio remain the same, subject only to various provisions for elimination included by number of the trusts. These provisions are clearly stated in all literature descriptive of the trust and the trust shareholder is aware at any time of the securities underlying his investment.

The success which may attend the operation of any fixed trust is largely dependent upon the skill and foresight used in the selection of the underlying stocks. To a large degree selection must be based upon past records but past performance is not necessarily an indication of future progress.

Choice is Important

Selection of the stocks which are included in the portfolios of the foremost fixed trusts is based upon the soundest scientific principles that investment management has been able to devise. Intensive research work costing large sums of money has been undertaken by a number of the fixed trusts before the final selection has been made. Future success on the part of the corporations represented has been to a large extent, predicated on their past experience. If the corporation has had a good record of earnings in the past, and other qualifications are equal, it is assumed that there is greatest probability of its continued success in the next few decades. This, however, is but one of the bases of selection.

In most cases, the common stocks included in the portfolio of the fixed trust have a high rating and are the so-called "blue chips" of today. In some cases a certain proportion of the portfolio may be in stocks that appear to have futures but which do not enjoy the highest rating at the present time. Such stocks may or may not achieve the first rank during the next few years, but if they do the trust would benefit by such improvement. General opinion would limit the proportion of such medium grade stocks to less than 10 per cent of the total investment, while many do not include such stocks.

Depend on Management

Many points must be considered before a stock can finally be considered fit for inclusion in the portfolio of a fixed trust. Management has been totally eliminated in some trusts and is reduced to a minimum in the rest so that on the original selection of stocks the success of the fixed trust largely depends. While management is eliminated from the operation of the fixed trust the managements of the various corporations whose common stocks are included in the portfolio are a vital point to be thoroughly considered when the portfolio is being selected.

The extent to which this corporation management is capable of meeting current business and operating conditions and its ability to build for the future will determine the success of the corporation in future years. The corporation must be in a basic industry and should have a diversified market for its products. It is notable that most of the industrial enterprises represented in the portfolios of the fixed trusts have substantial interests throughout the world and in many cases maintain plants and factories in other countries.

The corporation's appropriation for scientific research is another determining factor in selection. Industry must either proceed or fall back and science has come to take a larger and larger importance in industrial problems. Leading corporations continue to provide larger appropriations for their research departments and the results have served to keep these corporations in the lead and to bring increased returns to their shareholders. The corporation's financial policy and the attitude of the management toward the shareholders are other points of importance. At least one fixed trust sponsor has demanded that funded debt should be reduced during stated intervals. Stocks selected must be listed on some well-known exchange, usually the New York Stock Exchange, or in the case of Canadian trusts some recognized exchange in this country, and have a wide market so that shares may be bought or sold at any time. It is most satisfactory when the corporation has a large number of shares outstanding in the hands of the public as this assures a satisfactory turnover of shares.

Diversification Essential

Diversification of investment is one of the cardinal features of the fixed trust. While there are a limited number of fixed trusts which offer a diversified investment within a certain field such as bank stocks or stocks of insurance companies and public utilities, by far the greatest number contain common stocks of corporations operating in a variety of lines. The portfolio offers, then a diversification in industry including railroads, public utilities, oil companies and industrials. Industrials usually form the major part of the portfolio but there is a wide variety of opinion as to the relative proportion of rails, utilities and oils which should be included.

In addition to a diversification in industry there should be geographic diversification. If, for instance, four railroad stocks were included in the portfolio they should be selected from the standpoint of service rendered in different parts of the continent. If three oil companies are included one might operate in California, another in Indiana and another on the eastern seaboard. The industrial stocks in the portfolio must also have this diversification of products and markets.

The theory behind the principle of diversification is that the investor's eggs are not all in one basket. That if one industry is suffering from depression, other industries, in which the investment is placed will serve to maintain the average. Geographic distribution of services rendered operates in a similar way.

The stocks in the portfolio vary in number between the different trusts although the average of those offered in Canada is from 30 to 40. The first fixed trusts placed an equal number of shares of each stock in the unit and this has been followed by many succeeding trusts. Since, however, the price of one stock in the portfolio might be $150 and another at $30, there was no uniformity in the amount of money invested in each stock. Some of the later trusts have followed the practice of dollar diversification and have approximately the same amount of money invested in each stock irrespective of the number of shares held. Another development is the division of capital by industrial groups, proportioning the amount invested in each group on the basis of the indicated potential earning trend during the life of the trust.

To this extent the portfolios of all fixed trusts are similar, each starts with a definite proportion of a certain number of common stocks, the portfolio is in balance according to the views of its sponsors. To what extent will or can this balance be maintained throughout the life of the trust? Is it necessary or desirable that such a balance should be maintained? Opinions vary widely on these points and various provisions made for the elimination of stocks have been made by a number of the trusts. These provisions are discussed in another column.

Conversion Privilege Appeals To Investors

Supplements Market Maintained by Depositor and Assures Trust Shareholder of Ability to Liquidate Investment at Any Time

The feature of marketability is stressed by the sponsors of every fixed trust. The investor is offered the choice of a market to be maintained by the depositor company or the sponsoring group at the bid price, which would be some 50 cents or 5 per cent under the current asked price, or the privilege of conversion into cash or underlying securities through the trustee. As a general rule fixed trust shares are not listed.

Maintenance of a market at bid price by the depositor is contingent upon the continued life of the depositor company throughout the life of the trust, the continuing interest in the fixed trust by the sponsoring group and the general position of the underlying stocks on the stock exchange.

Price is Available

At the present time, fixed trust shares have an over-the-counter market similar to other unlisted securities and probably have a better market than many other types of security. A number of the daily papers on the continent list the current bid and asked prices of these shares. To what extent this would occur, should interest in the fixed trust wane, is problematical, but the investor knows the value of the underlying stocks in the portfolio and the market value of the fixed trust shares can be closely determined by the individual.

While the resale market for trust shares in the future is indefinite, the investor is assured that such shares can always be converted into underlying securities or into cash. Provision for conversion is incorporated in the trust agreement and is a function of the trustee. Conversion can be made at any time during the life of the trust and the trust shareholders, through this privilege, can always cash in on the shares held.

Provides Conversion

The conversion privilege permits the holder of a unit, or some stated fraction of a unit, of trust shares to convert his shares into the underlying stocks in the portfolio plus the proportionate amount of other available assets such as might be held in the distribution fund or the reserve fund. Or, the shareholder can have the trustee sell the underlying stocks and pay him cash. Usually there is no charge or penalty for such conversion. In the case of a small shareholder, who does not hold a sufficient number of trust shares to enable him to receive the underlying stocks, the trustee will pay cash and there may or may not be a charge for conversion.

While numerous trusts do not penalize shareholders upon conversion, others charge as much as 50 cents per share. When a small number of shares is presented for conversion it would be impossible for the trustee to sell the underlying stocks since the trust shares presented might represent but a fraction of one share of each stock in the portfolio. The usual practice is for the depositor to maintain a revolving fund amounting to the value of the underlying stocks in one unit and, from this fund, cash disbursements are made in converting small blocks of trust shares. The revolving fund is maintained by the depositor and the period required for conversion should not be more than a few days. If this fund were not maintained by the depositor, shareholders, desiring to sell, would have to hold their shares until sufficient share certificates, representing a unit or a divisible part of a unit, had been presented to the trustee for conversion.

United Fixed Shares

(Continued from page 16)

sions, taken at cost to depositor; value of reserve fund and distribution fund plus the service charge. Service charge is non-recurring. Price is taken to nearest eighth of a point.

Unit — Is divided into 2,400 trust shares which are issued in bearer coupon form in denominations of 5, 10, 25, 50 and 100 shares and in registered form in 5 shares and multiples thereof.

Conversion—No charge is made for conversion. Holders of 600 trust shares may convert into the underlying securities, fewer shares may be converted into cash.

Portfolio—Contains common stocks of 40 corporations of which there are four shares deposited per unit. The investment is diversified among six utilities, ten railroads, two oils and 22 industrials. No changes in the portfolio may be made except in the event of reconstitution of an underlying stock or failure to pay regular dividends in which case elimination is discretionary with the depositor but become mandatory if stock has not paid a dividend for three months. No substitution is permitted except for mergers, consolidations, or reorganizations. Only four shares per unit of any stock can be retained in the portfolio.

The corporations included in the portfolio are as follows:

Air Reduction Co.
*American Can Co.
*American Radiator & Standard Sanitary Co.
*American Smelting & Refining Co.
*American Telephone & Telegraph Co.
American Tobacco Co. (Class B).
American Water Works & Electric Co.
Atchison, Topeka and Santa Fe Rly. Co.
Atlantic Coast Line Railroad Co.
*Borden Company.
Columbia Gas & Electric Corp.
Commercial Solvents Corp.
Consolidated Gas Co. of New York.
Corn Products Refining Co.
*Delaware and Hudson Co.
*E. I. duPont de Nemours & Co.
*Eastman Kodak Co. of New Jersey.
*General Electric Co.
*Ingersoll-Rand Co.
*International Harvester Co.
*International Telephone & Telegraph Corp.
*National Biscuit Co.
*New York Central Railroad Co.
Norfolk & Western Railway Co.
*Northern Pacific Railway Co.
*Otis Elevator Co.
Pennsylvania Railroad Co.
Sears, Roebuck & Co.
Southern Pacific Co.
Southern Railway Co.
*Standard Oil Co.—New Jersey.
*Texas Corporation, The.
*Underwood, Elliott-Fisher Co.
*Union Carbide & Carbon Corp.
Union Pacific Railroad Co.
*United Fruit Co.
*United Gas Improvement Co.
*United States Steel Corp.
*Westinghouse Electric & Manufacturing Co.
*Youngstown Sheet & Tube Co.

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*25 of these 40 companies have substantial investments and carry on a growing business in the Dominion of Canada.

Turner Valley Drilling Report

Wells drilled by Imperial Oil

Progress Report—Week Ending April 11, 1931

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled	Remarks
Mayland	4	R.	2290	2290	...	Cemented cave, standing.
Mayland	6	R.	4598	4686	88	8⅝ in. casing cemented on bottom standing. (Top of lime at 4,656 ft.
Lowery	2	R.	6135	6197	62	Changing from mud to oil fluid (Top lime at 6,058 ft.; 139 ft. in lime.)
C. D. & P.	1	R.	5010	5010	...	Preparing to plug and abandon.
S. W. Pete.	1	R.	4301	4446	145	Drilling in lower Dakota.
S. Lowery	2	R.	3163	3303	140	Drilling in lower Dakota.
S. Lowery	3	R.	1893	2222	129	Drilling in lower Benton.
Merland	1	R.	4989	4989	...	Cleaned out to 4982 ft. (Top of lime at 4,973 ft.)
Lethbridge	1	S.	2615	2615	...	Fishing for bit.

Note: R—Rotary; S—Standard; DD—Diamond Drill.

CORPORATE TRUST SHARES

. . . Combining

5 Kinds of Return—

INVESTORS who want generous return with sound security can get both by owning Corporate Trust Shares. This is a fixed trust representing investment in 28 leading corporations—good common stocks of the type which experience has shown to be the most secure and profitable to hold.

This trust operates on the policy of paying to shareholders *all* returns from the underlying stocks. Thus there are five sources of return: (1) regular and extra cash dividends, (2) cash proceeds from sale of stock dividends, (3) rights and (4) extra shares issued through split-ups, and (5) interest on the reserve fund. Under the trust agreement all rights and shares received from stock dividends and split-ups must be sold and the proceeds included in the semi-annual distributions.

Assuming the existence of this trust over the past 17 years, cash distributions to shareholders would have averaged substantially in excess of the 70c per share yearly designed as the base coupon return. An ideal investment to make *now*.

CORPORATE TRUST SHARES represent an ownership interest in these 28 companies with 1,539 subsidiaries in Canada, United States and foreign countries, the shares of which are deposited with an independent trustee.

INDUSTRIALS
American Tobacco
Amer. Rad. & Stand. San.
du Pont
Eastman Kodak
Ingersoll Rand
International Harvester
National Biscuit
Otis Elevator
United Fruit
United States Steel
Woolworth

RAILROADS
Atchison, Top. & Sante Fe
Illinois Central
Louisville & Nashville
New York Central
Pennsylvania Railroad
Southern Pacific
Union Pacific

OILS
Standard Oil of California
Standard Oil of Indiana
Standard Oil (New Jersey)
Standard Oil of New York
Texas Corporation

UTILITIES and QUASI-UTILITIES
American Tel. & Tel.
Consolidated Gas of N. Y.
General Electric
Westinghouse Electric
Western Union Telegraph

23 of these companies operate directly or through subsidiaries in Canada and have a substantial investment here.

Moody's Composite Portfolio Rating "A"

Price about $6¼ per share
To yield approximately 10¾%

This dividend is stabilized by a reserve fund of 50c per share

The offering price of CORPORATE TRUST SHARES is based upon current market prices of the deposited stocks, at odd-lot prices and 100 share lot brokerage commissions, and the proportionate aggregate amount of accumulated cash and other property (including the Reserve Fund) held by the Trustee, plus an allowance for expenses of issue and expenses and profits of distribution.

Full details on request

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Consolidated Gas Company of New York
Louisville & Nashville Railroad Company
Standard Oil Company (New Jersey)
Standard Oil Company of California
Western Union Telegraph Company
Canadian Pacific Railway Company
Pennsylvania Railroad Company
General Electric Company
Southern Pacific Company
Ingersoll-Rand Company
Otis Elevator Company
Royal Dutch Company
Westinghouse Electric & Manufacturing Company
American Telephone and Telegraph Company
Eastman Kodak Company of New Jersey
E. I. du Pont de Nemours & Company
New York Central Railroad Company
Standard Oil Company of New York
Illinois Central Railroad Company
Union Pacific Railroad Company
United States Steel Corporation
American Tobacco Company
F. W. Woolworth Company
National Biscuit Company
United Fruit Company
Texas Corporation

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*OVER $170,000,000 PURCHASED BY INVESTORS

Listen in to the FORTUNE BUILDERS Program Every Sunday and Thursday Evening, 10:30, E. S. T., Columbia Network

B. C. Catch Bulks Large

British Columbia's sea fishery catch in 1930 amounted to 538,585,000 pounds which represented 54 per cent of the total sea fishery catch of Canada. Its average value is $25,000,000 per year; it gives employment to 20,000 people using 7,000 boats and 150 canneries, salteries, cold storage and reduction plants. The herring fisheries of British Columbia last year yielded 100,000,000 pounds of dry-salted fish.

Locate in Sherbrooke

The Teaberry Chewing Gum Company has located in Sherbrooke. Machinery is now being installed and manufacturing operations will begin shortly.

BUY INDEPENDENCE

. . Assets
of more than
38 Billion Dollars

Would you invest in a company with assets equal to 9% of the wealth of the nation? Would you invest in a corporation with activities extending throughout the world in every major industrial field? Would you invest in such a corporation if you knew its progress and growth were as assured as the progress of civilization?

INDEPENDENCE TRUST SHARES

The assets of the 50 corporations whose securities underlie each share of this fixed trust *exceed* 38 billion dollars. To the Public Utility, Railroad and Industrial Groups represented in many trust portfolios, Independence Trust Shares adds a representation in the vitally profitable Banking and Insurance fields.

Independence Trust Shares should continue to show good yield and appreciation as long as America continues its industrial progress.

PORTFOLIO

UTILITIES
Amer. Gas & Elec.
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Amer. Tel. & Tel.
Consol. Gas of N. Y.
Elec. Bond & Share
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Pub. Ser. Corp. of N. J.
U. G. I. Co.

INDUSTRIALS
Allied Chemical
Allis-Chalmers
American Can
Amer. Tobacco B
Borden
Corn Products
duPont
Eastman Kodak
General Electric
General Motors
International Harvester
National Biscuit
Union Carbide & Carbon
U. S. Steel
Westinghouse Electric
Woolworth

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Chase Nat. Bank of N. Y.
N. Y. Trust
The Manhattan Co.
National City Bank
Continental-Ill. (Chi.)
First Nat. Bank (Boston)
Union Trust (Cleveland)
Phila. National (Phila.)
Security 1st Nat. of Los Ang.

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Standard Oil of Indiana
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HAYES WHEELS DEFICIT FOR YEAR TOTALS $193,694

Parts Maker Shows Good Financial Position Despite Depression

Although operations of Hayes Wheels & Forgings resulted in a loss of $193,694 in 1930, after providing for depreciation and bond interest, the company ended its year with no money owed to the banks and with current assets of $816,564 nearly ten times current liabilities of $83,336. Cash in the bank amounted to $304,714.

In spite of the depressing effect on the company of the severe curtailment of automobile production, dividends were paid on the preferred stock until Sept. 30, 1930, and common dividends of $32,500 were also paid. After making an appropriation of $50,000 against investments, the amount carried forward to the credit of profit and loss account was $807,198.

CONSOLIDATED INCOME AND SURPLUS ACCOUNT

Years Ended Dec. 31

	1930 $	1929 $
Net earnings*	†67,435	457,212
Less: Deprec.	94,801	152,142
Bond int.	31,457	33,224
Income tax	......	21,000
Net profit	†193,693	250,846
Less appropriations:		
Pref. divds.	30,503	40,670
Com. divds.	32,500	110,000
Against invest.	50,000	......
Surplus‡	†306,696	100,176
Add: Prev. surp.	1,113,894	1,014,819
Less: Tax (1928)	......	1,100
Balance for'd.	807,198	1,113,895

*Profit from operations and other income, after all manufacturing, selling and administrative expenses.

‡Subject to income tax.

†Loss.

WORKING CAPITAL

	1930 $	1929 $
Current assets	807,264	1,212,573
Current liabilities	83,336	331,428
Working capital	723,,929	881,145
Ratio	9.68—1	3.66—1

Cash is Strong

The president, J. D. Chaplin, in his report to shareholders, gives it as his opinion that business recovery is steadily showing increased strength. It would require both time and patience, but nevertheless all indications pointed to an improvement in trade and he had great hope that the near future would see considerable improvement in the company's special industry.

Working capital of $733,228 compares with $881,145 a year earlier. There was no cash shown at the end of 1929 but cash of $304,714 at the end of 1930 really stands over against an item of $201,062 for call loans on December 31, 1929. Accounts and bills receivable, after deduction of reserve for bad debts, amounted to $107,980 at the end of 1930 and to $230,645 a year earlier. Unpaid stock subscriptions of $266,080 disappear from the balance sheet and doubtless are replaced by higher cash and increased fixed assets. Inventories fell during the year from $514,786 to $394,570, being valued at cost or market whichever was lower. Life insurance cash surrender value dropped from $105,706 to $9,300. Investments at cost were $177,685, and were written down to $127,685 during the year.

Bank Paid Off

Current liabilities at the end of 1929 included a bank overdraft of $32,936 which was paid off during the year. As the company had an operating loss there was no reserve for income tax and the dropping of dividends until business becomes better removes the payment of dividends from current liabilities. The total was therefore only $83,336 as against $331,428 a year earlier.

Funded debt consisting of 6 per cent bonds due 1942 dropped from $519,200 to $489,700 through redemptions and purchases. Fixed assets dropped in the year from $1,943,205 to $1,849,515. There were additions to fixed assets amounting to $45,441 but the reserve for depreciation was increased from $582,587 to $721,718 in 1930.

In addition to the capital surplus of $807,198 there is a capital surplus of $829,748 made up of $582,508 received from sale of stock and $247,239 from appraisel of fixed assets.

BELL TELEPHONE CO. SPEEDS EFFICIENCY

Percentage of Calls Completed Increased from 81 to 81.7

From Our Own Correspondent

MONTREAL. — Improved operating methods and practices are stressed by C. F. Sise, president of the Bell Telephone Co. of Canada, in a letter to shareholders enclosed with the current dividend cheque.

It is pointed out that much attention has been given to the completion of local calls, reducing the number that for many reasons end in failure. The progress made last year in this direction is illustrated in the remarks of the president in part:

"The percentage of calls completed was increased from 81.0 to 81.7, which meant the daily completion of 37,000 more calls than in the previous year.

"The percentage of long distance calls completed increased from 90.9 in 1929 to 92.1.

"The average time required for completing long distance calls was reduced by 6 per cent; 87 per cent of the connections were established while the calling subscriber remained at the telephone.

"Operating errors on manual calls were further reduced and now amount to only 1.4 in 100 calls.

Preventive Maintenance

"Effective measures of preventive maintenance have greatly lessened the frequency of reports of telephones in trouble. The record for 1930 averaged one reported trouble per telephone every 358 days, as compared with one every 255 days in 1929. Troubles reported were cleared promptly—94.7 per cent on the same day as reported, as compared with 89 per cent in 1929; 84.8 per cent of troubles reported on business telephones were cleared within two hours.

"On the average, each order for installation of a telephone was completed in 2.5 business days, as compared with 2.8 days in 1929. About half the installations were made on appointment with the subscriber, the work being done at a specified hour."

BUSINESS BUREAU EXTENDS SERVICES

Toronto Organization Will Enter Field of Mercantile Enquiry

Since its activity began in July, 1930, Better Business Bureau of Toronto has handled many hundreds of cases with the object of protecting the general public against fraud, misrepresentation and the loss of money as the result of the employment of illegal inducements. By sending to jail those who were proven guilty of fraud and by exposing unsound ventures which were just within the law, the Bureau has been conducting a valuable service in line with similar activities by Better Business Bureaus in Montreal and many United States cities.

The activities of the Bureau have embraced stock selling investigations, the curbing of concert ticket and programme advertising promoters who operate in the name of charity, the prosecuting of those who issued N. S. F. cheques (cheques for which the banks did not have sufficient funds at credit of issuer of the cheque to pay it) with fraudulent intent, the exposing of fraudulent advertisers, so-called trade schools, "art" companies, collection agencies and other lines. Oil royalty and fur farm ventures were studied closely. A number of men are now in jail as a result of the work of the Bureau.

The support of the Bureau has come mainly from the financial section of Toronto to date. It is now the purpose of the Bureau to enlarge its membership to cover the merchandising section, including manufacturers, wholesalers and retailers. The principle on which Better Business Bureau operate is to give service free to the public, expenses being borne by membership fees from honest and reputable financial and business men who desire to clean out unscrupulous, unethical or fraudulent operators from every line of endeavor.

Durant Offers Six at New Low Price

Durant Motors of Canada, Ltd., have just announced a new model, known as the "6-11" which is now in the showrooms of Durant dealers.

This model is mechanically a duplicate of the "6-14," which remains in the Durant line, but is somewhat modified in body specifications and fittings whereby it is brought into a lower price-range.

Built on the same wheel-base as the 6-14, namely 111½ inches, the new 6-11 is offered in three body styles: sedan, coupé, and coupé with rumble seat.

Prices, delivered Toronto, including taxes but excluding license are $1,019, $959 and $989 respectively, as compared with those of the 6-14 of $1,120, $1,049, and $1,095.

FIRST ALL-CANADIAN TRUSTEE SHARES

Depositor: Montreal Depositor Corporation
Trustee: Capital Trust Corporation, Limited

THE DEPOSITED STOCK UNIT AGAINST WHICH ARE ISSUED 500 FIRST ALL-CANADIAN TRUSTEE SHARES

Company	No. of Shares
Page Hersey Tubes, Ltd.	2
Price Bros. & Co.	5
Imperial Oil Co., Ltd.	10
National Breweries	5
Steel Co. of Canada	10
Bank of Nova Scotia	1
Can. Bank of Commerce	1
Can. Pacific Railway	5
Shawinigan W. & P.	5
Dom. Bridge Co.	5
Imperial Tobacco	10
Bank of Montreal	1
Royal Bank of Canada	1
International Nickel	10
Montreal L. H. & P.	10
Quebec Power	5
Hollinger Cons.	10
Penmans Limited	2
Cons. Mining & Smelt.	2
Bell Telephone Co.	2
Ogilvie Flour Mills	2
Lake Shore Mines	5
Dome Mines Limited	10
McIntyre-Porcupine	5
Teck-Hughes Gold M.	10

The sum of $300 is also deposited with each Stock Unit as a Reserve Fund.

THE genuine interest that numerous investors from Halifax to Vancouver have already shown in First All-Canadian Trustee Shares since the issue was announced on April 2, is doubtless due, primarily, to the fact that the deposited stocks are entirely Canadian — our strongest and most promising Canadian companies—and this is reason enough for Canadian investors to consider FACTS first.

But there are other reasons. Further examination reveals other features of strength — some of them entirely new to the fixed investment trust — features that at once establish FACTS as the ideal medium for investing in the common stocks of our greatest Canadian corporate enterprises.

One such feature is that the Fixed Selling Prices set for all of the deposited stocks assure investors in FACTS most satisfactory profits from the next major up-swing in security prices. A statistical record covering the deposited stocks from 1921 to 1927 shows that anyone investing in FACTS in 1921, on the same basis as they are offered today, would have received during the following six and one-half years, distributions of interest, profits and capital amounting to over 200% of the amount invested. It is altogether reasonable to expect equally good results from investing in FACTS now.

A purchase of First All-Canadian Trustee Shares is indeed an investment in the future of Canada — a future of growth and prosperity based on things so elemental that it is assured — and now is the right time to make such an investment, when security prices are low and a gradual rise in market values, over a period of time, is certain.

Circular giving complete information with statistical record referred to above will be sent on request.

INQUIRIES FROM DEALERS INVITED

Montreal Depositor Corporation
388 St. James St. West • MONTREAL
MArquette 8234

An Audit of Canada

One of a Series of Frank Discussions of the Future Development of the Dominion

By FLOYD S. CHALMERS

In response to numerous requests, the various articles published in this series of reviews of Canada's economic assets have been made available in book form. The first booklet deals with "Agriculture" and the second booklet with "Mining." Each of these is now ready. Readers may obtain them direct from The Financial Post by enclosing 25 cents for each booklet.

ARTICLE NINETEEN: WHAT ROAD FOR NEWSPRINT?

Canada's chief producing industry, that of manufacturing and selling newsprint paper, is in the midst of a crisis such as few Canadian industries have in the past experienced. The present situation is the direct and logical result of the mistakes made by the industry itself, by investment bankers and promoters and by governments, which were outlined in the brief historical sketch of the Canadian newsprint industry published in the last article.

Industry Over-expanded to Serious Degree

What is the present situation of the newsprint industry in Canada? We have scattered throughout five of the nine provinces a group of newsprint plants, equipped in nearly every case with modern machinery, and in the aggregate capable of producing every working day about 12,400 tons of paper, or over 3,800,000 tons annually. The total amount of newsprint paper going into the world's export trade will probably not exceed 3,300,000 tons this year. Canada alone, after deducting the needs of home newspapers, could produce more than all the importing countries of the world import. We could produce more newsprint than is consumed in the United States in a single year if we had that entire market.

If Canadian mills were producing at an average of 85 per cent of capacity, there would be prosperity in the industry as a whole even at present prices for newsprint paper. If they were producing at 70 per cent of capacity there would be no crisis. But actually they are able to market only enough newsprint to permit them to operate at 58 per cent of capacity. The industry must carry the capital charges on mills and equipment designed to produce about two-thirds higher output than they are now producing. And they must pay these capital charges out of a price level that is distressingly low and that threatens to sink lower.

Using Our Forest Capital to Little Advantage

Altogether apart from the enormous loss that such a situation occasions to investors in newsprint securities, the situation must be regarded as alarming even to the ordinary citizen and tax payer for it means that the forest capital of the country is being utilized rapidly for the purpose of producing a product to be sold at a price that does not permit the diversion of any large portion of the income to a broad programme of conservation and forest maintenance.

The immediate prospects for a higher production scale are not promising. Newsprint consumption as a whole depends largely upon daily newspaper advertising volume. Business prospects do not warrant the hope that any large increase will shortly be noted in advertising volume. Even if normal growth in advertising volume were shortly to be resumed it would be several years before the excess productive capacity of Canadian mills could be expected to bring about a natural solution of the industry's problems.

In the meantime competition, present or potential, is a factor to be considered. Russia is supplying pulpwood to American mills. Alaskan forests and southern soft woods are potential sources of raw material. European mills are also prepared to sell newsprint at low prices. Newfoundland has been gaining an increasingly high percentage of United States newsprint imports. However, while Newfoundland as a country is a newsprint competitor of Canada, its two mills have intimate tie-ups with Canadian mills.

Some Suggested Remedies For Impassé

Naturally leaders are discussing the way out of the present situation. No cure-all has been found. None will be found. Such situations do not lend themselves to quack treatment. It is obvious that application of the best engineering and research methods to the reduction of costs is essential on behalf of individual mills. Where several mills are controlled by a single group, concentration of production in the lower cost mills will aid the financial problem to be met, but at the same time local unemployment problems will be created, problems that can only partially be alleviated by wholesale labor transfer. Action by the provinces to prevent the establishment of further mills to utilize crown timber is suggested, but such action is too late; economics will prevent early establishment of further mills in Canada. Recapitalization of certain companies, whose bond and share capitalization is based upon more prosperous conditions, is necessary but is hardly a remedy so much as an unavoidable by-product of current conditions. The suggestion that the various mills should all be forced to adopt a level scale of operations in order to divide up evenly the business offering is futile and uneconomic and would enlarge the artificial control of production and price that has already worked to the disadvantage of the industry.

Consolidation and Better Customer Relations

Further consolidations within the industry offer the prospect of effecting more unified control and more economical operation. Such consolidation is bound to come when present diversity of opinion finds a mean. Consolidation may be a step in the direction of recapitalization. But consolidation having as its objective greater price control will probably defeat its own ends.

Undoubtedly the industry is recognizing more and more the need for friendly relations with its customers. Canada's near monopoly in newsprint supply export (even in 1930 we exported 2,331,000 tons of the world's 3,640,000 tons of export trade) made many of our producers independent in attitude. They fixed prices (in recent years by combination) and told their customers they could buy at those prices or go without. Of course, the buyers did not go without; and where they did not accept the terms offered they felt some justifiable resentment, tempered with the satisfaction of knowing that the inexorable working of the law of supply and demand would shortly put them on top. The growing accord between the Canadian newsprint producers and their large American customers is a factor that will help to pull the newsprint industry through.

Open Market in Newsprint is Likely

The need to adjust newsprint sales policies to the dictates of a buyers' market may inevitably bring about the termination of all price control by combination, may make for newsprint a recognized open market such as other commodities enjoy. In fact, it is probably fair to state that newsprint markets, taking the world as a whole, are now open markets and that it only remains for Canada to recognize that fact completely. If Canadian mills finally admit that uncontrolled price movements, based upon economic laws, are obviously dictated by present circumstances, it would not be surprising if prices fell still lower for a time. However, such a price decline might help to bring into play certain corrective forces; such as the elimination of foreign competition, still fighting to hold its own. It would certainly put a final stop to newsprint expansion here and possibly abroad.

Prosperity Bound to Come Again in Time

In time newsprint demand will start to grow again. Gradually the rate of operations of Canadian mills will pick up. Gradually prosperity will be restored to the industry. Gradually prices will strengthen and employment increase. Gradually the effect of the mistakes of recent years will be eliminated.

There can be no reasonable doubt of Canada's ability to remain the dominant world factor in newsprint supply and to hold that position with credit and profit to ourselves, if the simple economics of the situation are recognized. Time and truth are Canada's allies in the restoration to prosperity of our chief industry.

This is the fourth of a series of articles on our forests as an economic asset of Canada. Previous groups of articles under the heading: "An Audit of Canada" dealt with agriculture, with mining and with water power as factors in Canadian prosperity.

Agricultural Survey

Dominion Agricultural Branch Surveys Conditions as at End of March

Throughout practically the whole of Canada the winter has been mild and favorable for the wintering of livestock. In the Maritimes and Eastern Provinces, a good snow covering has helped the hay and winter crops. In the Prairie Provinces, there has been little snowfall so that livestock have been wintered in the open. The top soil is dry and subject to drifting. While conducive to early seeding, such conditions require early precipitation for the new crop. British Columbia conditions are generally hopeful for the 1931 crops.

Maritime Provinces.—All classes of livestock came through the winter in fine condition with plentiful supplies of feed of all kinds. There has been a good covering of snow throughout the winter and with gradual thawing and little run-off, there should be sufficient moisture for some time. There is little frost in the ground and the prospects are for an early spring.

Quebec. — All livestock are reported as having wintered well. There is still a considerable amount of snow on the fields. The ground is not frozen to any extent owing to the ample snow covering, so that prospects for grasses and clovers are good. There is practically no ice on the fields which is the usual thing at this time. Low lands are still under water, but the higher lands are quite dry. The prospects for 1931 are quite favorable.

Ontario.—The condition of all livestock is the very best owing to moderate winter weather and plentiful supply of fodder. The winter wheat as well as clover is in good condition. There is little frost in the ground and some farmers are preparing to work on the land. The supply of moisture varies and rain would be welcome. Quite a number of early lambs are reported and there have been few losses. Alfalfa has come through the winter in much better condition than in the last few years as there has been practically no heaving. Some districts have a plentiful supply of seed oats, barley and alfalfa. Well-drained clay land is in splendid shape for seeding. Heavy draught horses are selling at good prices, as well as pure-bred dairy cattle.

Manitoba.—With a plentiful supply of cheap feed throughout the winter, livestock have come through the winter in first class condition. The weather has been quite mild for the most part. There is still considerable frost at nights. Local snow flurries were experienced the last week of March. There is a good deal of soil-drifting reported especially on last year's fallow.

Saskatchewan.—The open winter has resulted in a considerable saving of feed, especially in the districts where drought was most severe last year and where a shortage of feed existed. Live stock are generally reported in fairly good condition. In the southern and central districts the reserve of soil moisture is generally low and abundant rains will be required for the new crop and to prevent soil-drifting. Conditions in the north, however, with respect to soil moisture are more favorable.

Alberta.—The mild winter, as well as the large supplies of feed, helped to bring live stock of all classes through in fairly good condition. The land has been practically bare of snow most of the winter. There is little top-soil moisture so that copious rains will be needed for the crop and to prevent soil-drifting which has already started. Wells and creeks are reported to be very dry.

British Columbia.—The winter has been one of the mildest on record with snowfall considerably below normal. Soil conditions are excellent at present owing to heavy rains during February and March with little or no frost in the ground. Very little surface run-off has occurred owing to light snowfall. Prospects are that later there will be a scarcity of water for irrigation purposes. Fall wheat and rye are in good condition.

Public Utility Earnings

Southern Canada Power

March	1931 $	1930 $	Increase $
Gross earn.	185,191	182,119	3,072
Oper. exps.	69,855	67,734	2,121
Net earn.	115,336	114,385	951
6 Months			
Gross earn.	1,215,274	1,155,494	59,780
Oper. exp.	455,708	404,224	51,484
Net earn.	759,566	751,270	8,296

CAN. NORTH. POWER ANTICIPATES GROWTH

Larger Mines in Area Served Adding to Equipment

From Our Own Correspondent

MONTREAL. — Canada Northern Power Corp. in a circular accompanying the current dividend cheque comments upon the increase in gross earnings and then refers to business conditions within its territory as follows:

There is every indication that the growth of the demand for electric power in the territory served will continue, probably at an augmented rate, as the larger mines in both the Kirkland Lake and Porcupine Camps are practically all adding to their equipment.

The mill extension at the Teck-Hughes mine has been completed ahead of schedule, thus considerably increasing their power requirements.

At Wright-Hargreaves Mine, equipment is being installed to facilitate the exploration of lower levels down to 3,000 feet.

The management of Macassa Mines, whose property is located at the western end of the Kirkland Lake Camp, have announced their intention of recommencing operations which will result in their again becoming customers of ours.

Preparations are also being made to reopen the Bidgood Mines in the eastern section of the camp.

Mine Activity Greater

In Porcupine, the new 1,500 ton mill at the McIntyre-Porcupine Mines is rapidly approaching completion, which when in operation will materially add to their power demands.

Exploration work at the Hollinger Mine is meeing with gratifying success, and it is anticipated that the tonnage of ore handled will be increased shortly.

The Dome mill, which was completed in November, has been in continuous operation, and new ore developments continue to be satisfactory.

In the Rouyn Camp, arrangements have been made for the erection of a 500-ton mill at the Aldermac Mines, which it is expected will be completed by the fall of the present year, and add considerably to the power used at that mine.

Considerable exploratory work has been done in the Matachewan area during the past winter, the results of which are most encouraging. Your company is keeping in close touch with developments in this area which has interesting possibilities.

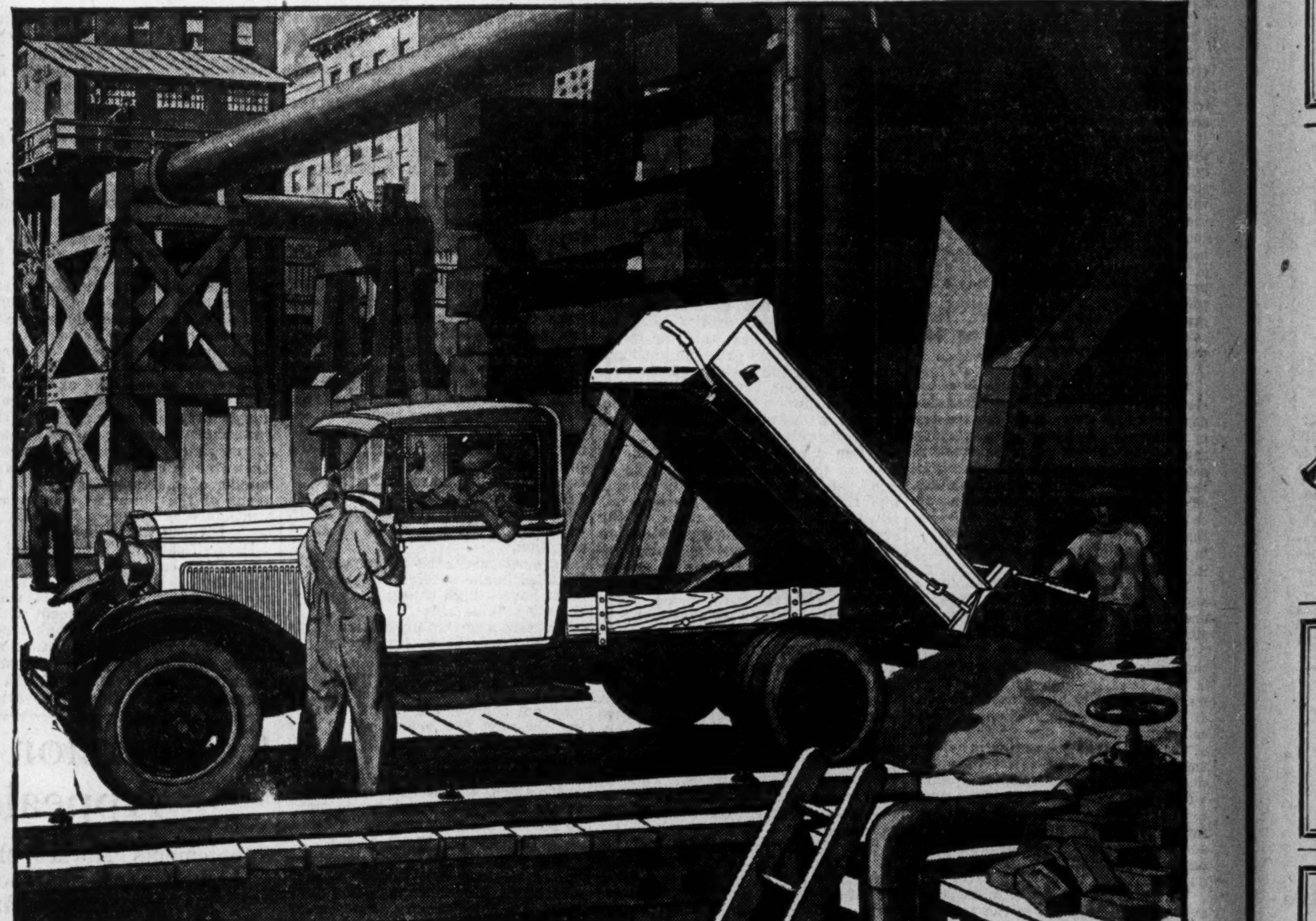
Optional Rate Effective

In accordance with established policy, the company have voluntarily inaugurated an optional commercial rate at Ville Marie, by which customers at that point will be enabled to extend their use of electricity at low cost.

The company's pulp mill has been in operation steadily during the past quarter, and the supply of pulp wood for the coming season's operations has been delivered at the mill.

Opens Unlisted Department

G. F. Morrison & Co., members Standard Stock & Mining Exchange, announce that they have opened an Unlisted Department to deal in unlisted stocks, bonds and mining securities, in charge of Eric F. Bolton.



Dump body on the Ford chassis with 131½-inch wheelbase. A type extensively used by engineers, builders, contractors, and for road-construction. Often used for delivering coal.

Ford Trucks

offer economical hauling for every business

WHEREVER hauling equipment is used or needed, Ford commercial units offer long, reliable service at low cost. Because of their low price, they keep the original investment in hauling equipment at a minimum. After many thousands of miles of faithful service, the operating economy of Ford units becomes strikingly apparent, serving to emphasize their value for every hauling purpose.

How well Ford units meet the different requirements of various businesses is shown by their records of excellent service in almost every industry, in all parts of Canada.

The 1½-ton truck

For heavy hauling, the Ford truck offers rugged strength, alert and capable performance, safety, reliability, and long life. Bodies for every hauling need are available through Ford dealers everywhere. With the 1½-ton chassis, there is a choice of 131½-inch or 157-inch wheelbase, single or dual rear wheels, 6.6 or 5.14 rear-axle gear-ratios.

Features of value

A 4-speed transmission provides the truck with a wide range of speed and power. The chassis has an unusually sturdy frame, with five strong cross-members, which adds to strength and endurance. With the three-quarter floating spiral bevel gear rear axle, the axle-shafts serve only to turn the wheels, without carrying any of the weight of truck or load. A straddle-mounted pinion insures constant alignment of pinion and ring-gear, prolonging the life of these parts. Torque-tube drive is used, to relieve rear springs of all but their normal function of absorbing shocks. The steel-disc wheels permit free circulation of air around brake-drums.

The light-commercial chassis

For delivery purposes, and for all light hauling where speed, reliability and economy are of importance, the Ford light-commercial chassis has proved its value equally with the Ford truck. It is built to strictest standards of excellence, in design, materials and workmanship, and will give long service under difficult conditions of road and load. Four factory-built bodies are available for this chassis, and others, for special purposes, are readily obtainable. A factory-built closed cab, equipped with shatterless glass windshield for safety, can be supplied with all Ford chassis.

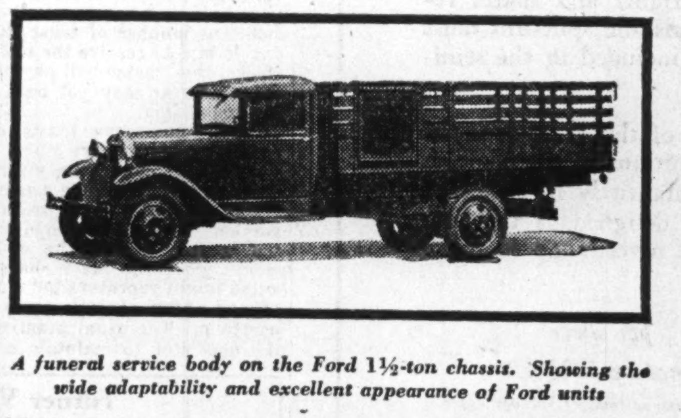
Among the prominent users of large numbers of Ford units are the Canadian Pacific Express Company, Bell Telephone Company of Canada, Standard Brands, Ltd., Canadian National Railways, and many others.

Go to your Ford dealer, and let him demonstrate a truck or light-commercial car of the type designed for your business.

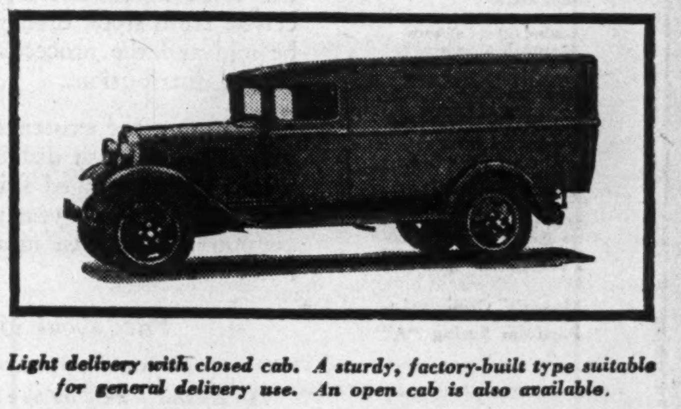
Ford

"The Canadian Truck"

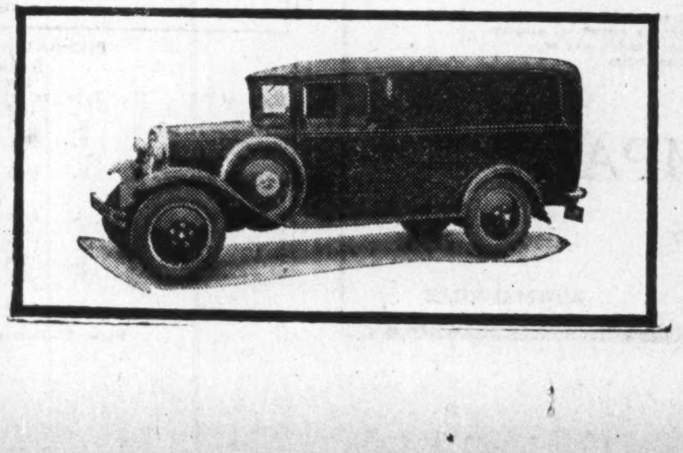
Large stake body on the chassis with 157-inch wheelbase. A body widely used for industrial hauling purposes.



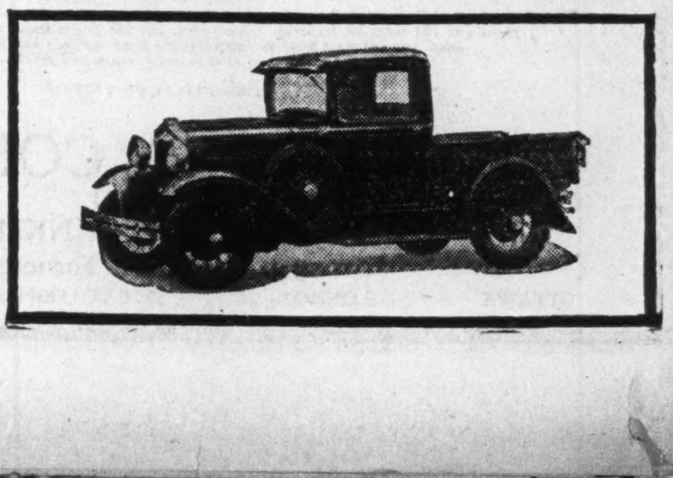
Panel body on the chassis with 131½-inch wheelbase. This type is suitable for the majority of all delivery purposes.



A funeral service body on the Ford 1½-ton chassis. Showing the wide adaptability and excellent appearance of Ford units



Light delivery with closed cab. A sturdy, factory-built type suitable for general delivery use. An open cab is also available.



Be Worth $10,000 TO-DAY

$200 deposited in a savings account is at the end of **a year** worth $206.

$200 deposited on account of life assurance creates an estate in **one day** of $10,000.

A young man can in this way instantly create a fund which it would take him thirty-two years to accumulate by depositing $200 a year as savings drawing 3% compound interest.

During that period 20 out of every 100 men of his age die; failures and reverses ruin many more.

The current SUN LIFE dividend scale makes life assurance one of the profitable investments you can make—and it is utterly **safe.**

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE-MONTREAL

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Norman G. Duffett, General Manager

Head Office:
159 Bay Street, Toronto

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Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

FIRE	AUTOMOBILE	WINDSTORM
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Write 410 Manning Chambers, Toronto.

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Inquiries from established agencies in every Province invited.
CANADIAN HEAD OFFICE: HAMILTON, ONTARIO

The Danger Line—Age 40!

AFTER middle age men divide into two classes—the dependent and the independent. Your position in later years will not be determined by the amount of money you have *earned*, but by the amount you have *saved*. The deciding factor is what you *save*. An investment of fifty cents a day in Endowment Insurance is the sure road to independence.

THE MANUFACTURERS LIFE INSURANCE COMPANY
HEAD OFFICE: - TORONTO, CANADA

Insurance News

NEW HEAD OFFICE MARKS MILESTONE FOR CANADA LIFE

Oldest Canadian Life Company Has Had Notable Career

STARTED IN HAMILTON

University Ave. structure in Toronto Combines Both Beauty and Utility

Eighty-four years ago Hugh C. Baker founded Canada's first life insurance company; nine years later this company (The Canada Life Assurance) moved to its first head office building in Hamilton, Ont., and in 1883 further expanded into another new building in the same city. In 1899 the company moved its head office to Toronto and until a few weeks ago this now internationally-known organization was directed from 46 King St. West in that city.

But wreckers will soon be at work on the familiar red stone structure which was built for the company forty-two years ago, and if you want to do business with the head office of the Canada Life you must go to a fine new building opened a few weeks ago at the foot of University Avenue.

Has Eye to Future

The new building has a very real eye to the future. As it stands today it provides ample accommodation for the head office staff which at present is 625. Not only that but the present building is only the initial unit of a much larger structure which eventually is planned to cover the entire property owned by the company at this site.

Just at the present time the company is looking about ten years ahead, each department in the new structure having been allotted sufficient space for ten years anticipated growth.

Set Back at Eleventh

The new head office building is sharply set back at the eleventh floor, the seven additional floors forming a tower which rises 280 feet from the ground and is one of the tallest points in Toronto. It is recalled that when the company's former head office was built in Toronto in 1889, it also was considered a tall building although only eight stories in height and the observation tower was much patronized by visitors to the city on account of the view to be obtained therefrom.

As befits a life insurance head office, the building aims to secure an ideal combination of beauty and utility. Construction is planned to provide ideal working conditions for each employee not only by the provision of the latest mechanical devices and equipment. but also by catering to the aesthetic needs of business life.

In order to minimize noise, the ceilings of all the offices are treated with acoustic celotex which absorbs echos and reduces to a minimum the clatter of typewriters and so forth. Then too the building is equipped with an up-to-date ventilating and humidifying system. The outside air is warmed when entering the building by means of 65 unit heaters installed at different points. A humidifier is attached to each unit, also to each radiator. Ventilating fans on the roof remove the impure air through air ducts in the walls.

How Building is Planned

Starting at the top of the building there is the observation tower roof which is exactly 280 feet above the sidewalk and which gives an exceptionally fine view of the city. Below this is an observation room which represents the 17th floor and from which the city may be viewed no matter what the weather is like. The board room is on the fifteenth floor. The unlucky "13" has been allotted to telephone operators, the head office switchboard serving about 150 telephones throughout the building being located here with considerable space for expansion.

All floors from one to eleven are identical in plan and size and with the exception of floors four and five are all occupied by Canada Life employees.

The eleventh and twelfth floors are executive offices and here the president, general manager, actuary and other executive officers are located; the ninth floor contains the staff dining room, as well as the kitchens, which are said to be some of the finest and best equipped in Canada.

Hospital is Feature

The eighth floor is devoted to personnel, planning and group divisions and also contains the library and lecture room and the company assembly hall which will be used for annual conventions, accommodation of staff functions, meetings and so forth and will comfortably seat over 500 people. Another feature of this floor is the company hospital where a trained nurse is always in attendance. Incidentally it is worthy of note that each member of the head office staff is given a free physical examination once a year—an examination which will now take place in this excellently equipped hospital. The seventh floor is devoted entirely to the company's actuarial department with its statistical and Hollerith departments.

The other floors, with the two exceptions already noted, contain all the important and specialized departments which a well-ordered life insurance head office should contain. For instance there is the photostat division where photostat copies of all applications, which must be attached to policy contracts, are made. The machines have a total capacity of 6,000 photostats per day. Also there is the investment department with its own complete organization and quarters. This department is divided into three divisions namely, the bond and stock division which handles all securities and accounting relating thereto; analytical division which investigates investment proposals; and the mortgage loan division which looks after all mortgage loans made by the company.

On the main floor is the Toronto City branch of the company's agency department which operates entirely separately from the head office and which takes up three complete sections at the south end of the ground floor.

Mutual Uses Phone Book For Campaign

Four-color inserts in 1,500,000 telephone directories throughout Canada are being tried out by the Mutual Life of Canada as the newest venture in the field of insurance advertising. These inserts made their appearance for the first time in Manitoba directories last week and are to appear shortly in the spring directories throughout the entire Bell Telephone system and the other independent and local systems throughout Canada.

The directories used will be published in 46 centres throughout Canada with a total circulation of 1,500,000 subscribers. Not only is this the first time that a life insurance company has featured this type of advertising but it is also the first time that four-color inserts have ever been used in a country-wide telephone directory campaign.

The subject of the Mutual advertisement is a reproduction of the famous Bulcno painting, "The Comforter."

AUSTRALIAN CO'Y MADE RECORDS IN 1930

$25,362,790 of New Ordinary Business Written By Mutual Life

New records in ordinary branch new business written and in ordinary branch renewals is reported for the Mutual Life & Citizens Assurance Co. of Australia in the annual report for the year 1930 just received. The company wrote ordinary branch new business of $25,362,790, which represents an increase of $3,332,870 over the preceding year, while premiums collected amounted to $6,376,209, an increase of $411,452. Industrial premiums collected totalled $3,087,472, an increase of $94,087.

The ordinary branch funds at the end of 1930 amounted to $71,866,903, an increase of $1,302,028 for the year. The industrial branch funds at the end of the year amounted to $16,455,989, an increase of $768,409. In addition to the increase in these funds, a sum of £200,000, or about $973,333, was transferred to the general reserve, in the ordinary branch, making the total reserves under that heading in all branches £550,000 or $2,676,666.

Change Bonus Policy

A change has been decided in the method of declaring reversionary bonuses to ordinary branch policies. In future these are to be calculated on the total of sum assured and existing bonus. For example, if the rate for a particular type of policy were 1 per cent the bonus on a policy for $1,000, with existing bonuses of $300, would be $13; if the existing bonus were $100, the new bonus would be $11 and so on. This has the result of increasing the bonus declared for each year of policy duration where the policyholders have not cashed any bonus. Where a policyholder has surrendered some bonus in the past, he will naturally receive a smaller allocation. This system will apply to all ordinary branch policies with the exception of double endowments, and the amount of bonus declared will be worked out to the nearest 25 cents.

Insurance Inklings

J. G. FALCONER, M.D., M.R.C.P., has been recently appointed assistant medical director of the North American Life Assurance Co.

A. F. HALL, A.I.A., F.A.S., who has been appointed actuary of the North American Life has been in the service of the company for 33 years and is one of the oldest members of the head office staff. He was appointed assistant actuary in 1922 and in 1928 became associate actuary.

W. J. BURGAR, newly appointed assistant secretary of the North American Life has been with the company nine years and has been connected with the actuarial department.

JAMES TAYLOR, formerly a member of the firm of Lilly & Taylor has entered into a partnership with C. M. BREWSTER, Regina, and S. F. CROSS, Winnipeg. The new firm will be known as Brewster, Cross & Taylor and will conduct a general insurance adjustment office in Edmonton.

Life Advertisers Meet at Toronto

More than a dozen representatives of Canadian life insurance companies met last week for the regular monthly meeting of the Life Insurance Advertisers' Association. The form of the meeting was an "Experience" meeting, each representative outlining the most important or novel advertising achievements of his particular company in recent months.

Official announcement was made that the annual convention of the association will take the form of a one-day conference to be held at Montreal on May 19. The theme of the convention will be "Life insurance advertising during the next five years."

At a luncheon meeting following last week's meeting, the advertisers were addressed informally by H. R. Stephenson, general manager of the Crown Life Assurance Co., and president of the Canadian Life Officers Association. The meeting was in charge of A. L. Cawthorn-Page, president of the association.

Ontario Trustees Refuse To Probe Insurance Costs

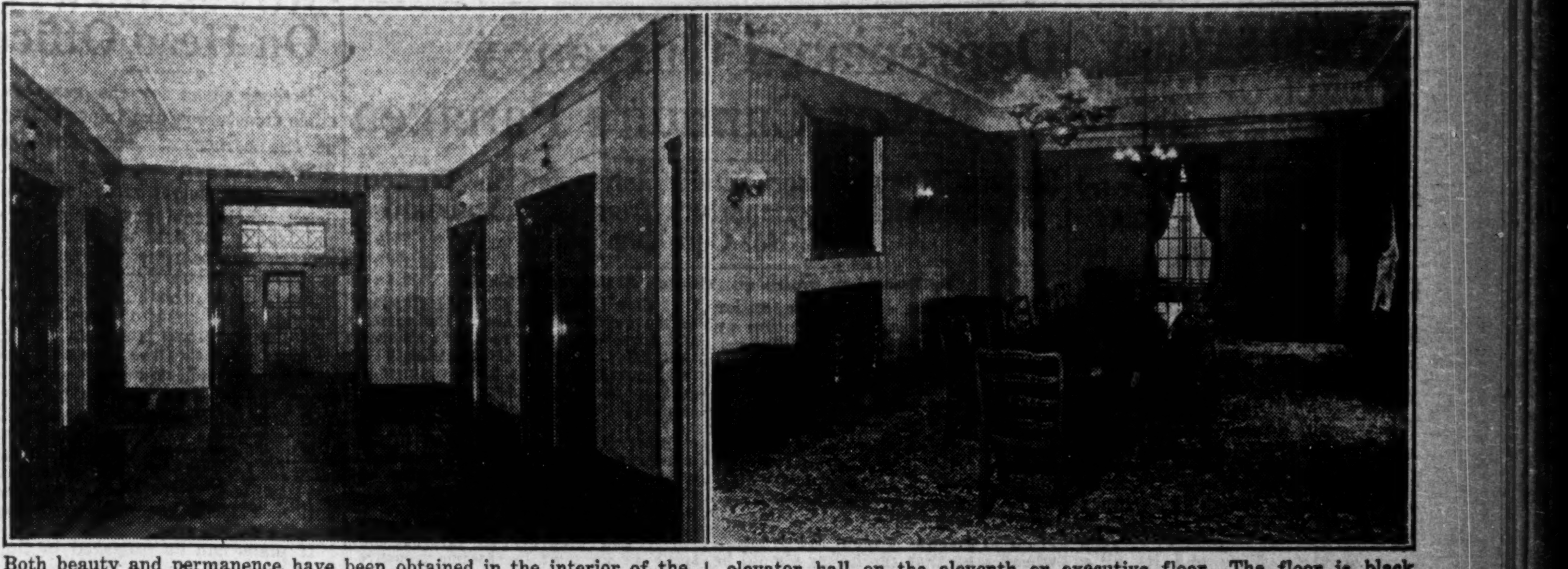
Proposal that a committee should investigate fire insurance costs of rural schools found faint support in a meeting of the trustees' section of the Ontario Educational Association, held recently in Toronto.

The secretary of the Saskatchewan trustees outlined the plan formulated by the trustees in that province, which had caused fire insurance premiums for schools to be cut 20 per cent, and an arrangement made through mutual companies combined so that after all payment of losses and expenses and a ten per cent reserve to the companies, the schools held the remaining amount of the premiums.

One of the trustees present pointed out that if schools were insured on that basis fire insurance companies would have to raise the rate on barns.

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

Glimpse Into Interior of New Canada Life Building



Both beauty and permanence have been obtained in the interior of the new Canada Life Building on University Avenue, Toronto, with a minimum use of expensive materials. On the left is a view of the elevator hall on the eleventh or executive floor. The floor is black and red mastic tiles and the walls are apple green in color, painted on a cottonized surface. On the right is a view of the board room.

SEASON NOW OPEN FOR PURCHASING YACHT INSURANCE

Special Coverage Provided for Yacht Owners' Protection

The open season for yachting insurance is here.

This is a form of marine coverage which is given little publicity in Canada but which is becoming increasingly popular with the growth of yacht owners and fleets along the Atlantic and Pacific seaboard and throughout the numerous lakes and rivers of the central provinces.

In Canada only a few companies have specialized in this type of risk and premiums are reported by one of the leading Canadian companies as varying from 2 to 15 per cent on the finest steel steamers. It is almost impossible to quote definite rates as types of construction, age of the vessel, waters in which it is navigated and the season of the year it is used are all highly variable factors in the situation.

Coverage Outlined

The following outline of this type of coverage has been prepared by the Aetna Fire Insurance group of Hartford:

"First there is the yacht policy covering marine perils such as stranding, sinking, collision, and so forth, and also fire, theft of the entire yacht and liability of the owner for collision with other vessels. Accidents of this nature are by no means uncommon. There are few yachts or motor boats which do not sustain damage at some time or inflict it at others. Furthermore, such damages often occur more than once during the life of a boat. Total losses occur with disturbing frequency. The seeming technical unfamiliarity of these new owners with operation and navigation of their vessels and the waters where these boats are sailed contribute to some degree to the frequency of such losses.

"Next is the policy covering the risk of fire only. Many owners consider that this is the only coverage they require. A policy can be provided to cover fire only, but if the yacht or motor boat is in commission and is intended to be navigated, the full marine policy form is recommended. Unexpected accidents from many different sea perils result in untold damages. The owners can seldom control the forces causing such damages.

Indemnity Clauses

"In addition to the coverage provided in these policies, protection may also be obtained against certain liabilities incurred through the operation of the boat by the attachment of an endorsement including the protection and indemnity clauses. Some of the hazards enumerated in these clauses, and for which an owner may become liable are:

Loss of or damage to another vessel, merchandise loaded on board thereof, etc., caused by the owner's yacht;

Loss or damage to any harbor, dock, slipway, gridiron, pontoon, pier, quay, jetty, buoy, telegraph cable, etc.;

Liability incurred through any attempted or actual raising, removal or destruction of the wreck of the insured yacht, or neglect or failure to raise or destroy the same;

Loss of life or personal injury in so far as same is not covered under federal longshoremen's and harbor workers' compensation acts.

The first Canada Life head office was erected in Hamilton in 1856 and the second in 1882. The building at King and Bay Streets, Toronto, which was later to become the third head office of the company, was erected in 1889.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Canada National Fire

What is your opinion of Canada National Fire Co. stock for a long hold? Does it pay any dividends?

The Canadian National Fire Insurance Company is working itself into a satisfactory financial position. The prospect of dividends however, is remote, in our opinion, in view of highly unsettled conditions in the fire insurance business at the present time.

For 1930, the government figures released last week showed, that the company had a very satisfactory year from an underwriting viewpoint, the ratio of losses incurred to premiums written, being 40 per cent as compared with an average of 57.6 per cent for all companies. In 1929, according to the government blue book, the company showed an underwriting loss of $21,000 but showed a net gain for the year of $74,000 which was added to surplus. Surplus of assets over liabilities at the end of the year stood at $1,236,000, the net surplus of assets over liabilities and paid capital was $287,900 at that date.

We believe the company is sound and well managed, and that over a period of years, should give a good account of itself.

Lutheran Mutual Aid

The Lutheran Mutual Aid Society of Iowa, U.S.A., has been writing considerable insurance in this district (Southwest Saskatchewan) and I would appreciate any information regarding them. Are they a good company to insure with? Are they reasonably safe? Would there be any trouble in getting claims settled? My own insurance is all with the Sun and New York Life.

The insurance contracts written by the Sun and New York Life and by the Lutheran Mutual are difficult to compare because one is a straight life insurance contract with a definite fixed premium, while the other is membership in a fraternal society, with an "open" insurance contract as one feature of the membership.

The society has been in operation since 1879, but has only been doing business in Canada since May, 1929. In its first year it wrote over $300,000 of insurance and last year wrote $567,000 of business. In addition to Canada, the society operates in some eighteen or nineteen states. The company writes all the usual forms of insurance and most of its business is on either the twenty payment life or twenty year endowment plan. The society would seem to be in a sound financial condition and is apparently making considerable headway in the fraternal field in Canada.

Expenditure on Cut Flowers

For the year ended May 31, 1930, a total of $2,037,678 was spent in Canada for cut flowers, 71 per cent of the total of $2,879,041 spent for decorative plants, ornamental trees, shrubs, perennial and annual plants. In addition to the purchase of home-grown products of trees, plants, etc., Canada imported last year nearly 50,000,000 such products.

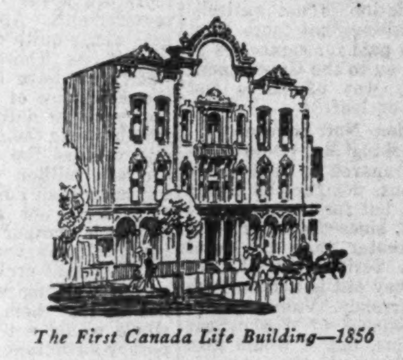
"In Eighty-four Years"

THE entry of the Canada Life into its new Head Office Building marks but another step in this Company's progress and expansion, which has been continuous for Eighty-four years.

Hard work, economical management, sound business and investment policies rigidly adhered to and "square deal" principles practiced by the Canada Life since its establishment have undoubtedly been responsible for its record of success.

It all started in 1847. Mr. Hugh C. Baker had been obliged to travel from his home in Hamilton, Ontario, a long distance (at that time) by saddle, steamboat and stage to New York City, all for the purpose of insuring his life. His enthusiasm for the cause was great. In the evenings he could be seen at the window of a rented office, writing policies by hand, under the light of an oil lamp. From such small beginnings has the Canada Life sprung. It was the first life insurance company established in Canada.

Mr. Hugh C. Baker at his Desk

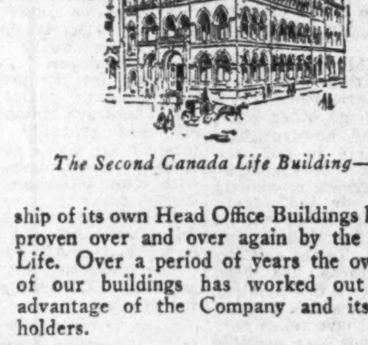


The First Canada Life Building—1856

The Company prospered, and in 1856 the first Head Office Building was erected in Hamilton, Ontario. Greater success followed as a result of its new equipment and efforts to serve the public, and the Company outgrew one building after another.

Wisdom of Property Investment

When the second and third Head Office Buildings were erected, doubtless people wondered whether they were not too large. Space to accommodate a Company growing as rapidly as the Canada Life is difficult to obtain and only at high rentals, and experience has shown the advantage and profit of making adequate provision for growth. The wisdom of property investment and ownership of its own Head Office Buildings has been proven over and over again by the Canada Life. Over a period of years the ownership of our buildings has worked out to the advantage of the Company and its policyholders.



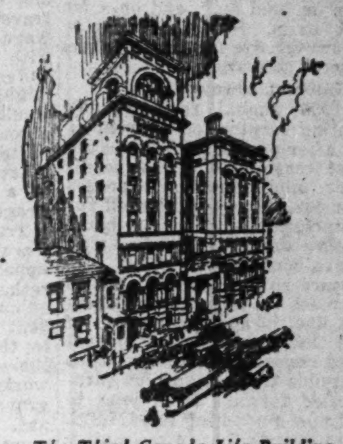
The Second Canada Life Building—1883

Rapid Growth

The rate of growth of the Canada Life has been very rapid. Ten years ago this Company had a total Annual Income of about 16 Million Dollars as compared with 45 Millions in 1930: Assets of the Company have grown in ten years from 75 Million Dollars to more than 187 Millions and the total business in force has been increased from 272 Million Dollars to more than *One Billion Dollars.*

Newest Head Office

The new Canada Life Building is the fourth Head Office made necessary by the Company's expansion during the past eighty-four years. The need for increased accommodation is evident from the fact that five buildings at the corner of Bay and King Streets, Toronto, were required to house the Head Office Staff several years prior to its removal to the new Head Office Building.

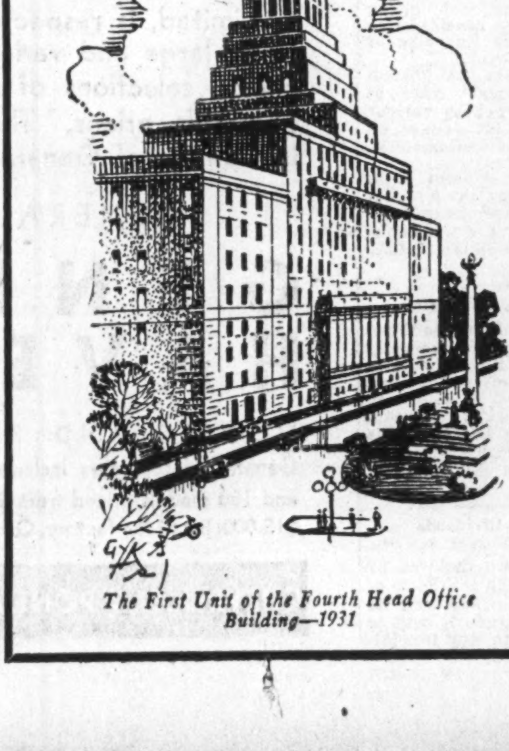


The Third Canada Life Building occupied as a Head Office in 1899

An Office "Workshop"

The plans for the new Head Office Building of the Canada Life Assurance Company at 30 University Avenue were begun some years ago. This building is but the first unit of a carefully considered building program. As it will be the base for future expansion it has been built substantially, but it is primarily an office "workshop" designed for the greatest possible efficiency.

The Canada Life occupied for thirty years the quarters which it vacated on March 20th, 1931. The completed Head Office Building program anticipates many years of continued expansion and success.



The First Unit of the Fourth Head Office Building—1931

The Canada Life
Assurance Company
ESTABLISHED 1847
HEAD OFFICE · TORONTO, CANADA

Current Events in the Banking World

ONTARIO SAVINGS SOURCE OF LOANS TO 8,878 FARMERS

Plan Devised by Drury Government in Force Nine Years

HAS TWO FUNCTIONS

Reports of Provincial Savings Offices and Agricultural Development Board Reviewed

Current position and operations of the Ontario Government's nine-year-old venture into the field of loaning and banking are revealed by publication last week of fiscal year statistics for 1930 of the Provincial Government savings offices and its allied enterprise the Agricultural Development Board. The former now has some 80,000 depositors and savings deposits of $23,300,000 while the latter has loaned in the past nine years something like $35,000,000 to farmers of the province.

The idea of a provincial savings bank first came into being during the farmer government régime under the premiership of Hon. E. C. Drury. Money for farm loans was needed and as a result the two-fold plan of establishing savings facilities which would offer 4 per cent to depositors as compared with 3 per cent offered by chartered banks, and of re-loaning moneys so collected to farmers on a 5½ per cent basis, came into being. The 4 per cent rate to depositors was abandoned in 1924 and has not since been restored, being now 3 per cent.

20,500 New Depositors

At the present time there are 17 branches of the savings bank operating in larger Ontario cities, and although annual profits have been small, the surplus is shown at $186,775 as at Oct. 30, 1930. Deposits at that date reached the new high total of $23,307,000, while volume of business transacted, although $4,000,000 below the 1929 level, was at a time when most institutions had difficulty in maintaining deposits at 1929 levels, the provincial banks actually showed an increase, at Oct. 31, 1930, of $522,000, or approximately 3 per cent. In the same period, deposits of chartered banks declined approximately 1 per cent. Also in 1930, no less than 20,551 new accounts were opened at the savings offices which are in charge of M. E. Mackenzie, director of the branch.

The deposits are, of course, all payable on demand and the security behind the deposits is that of the provincial government. Actually the deposits are "sold" to the government by the savings office at 4 per cent, the difference between that and the 3 per cent paid to depositors being the approximate cost of operating the savings offices. In theory at least, the money thus received and which, as already pointed out, amounted to $23,300,000 at the end of 1930, is used to pay the Agricultural Development Board for its debentures which are issued to the province at 4½ per cent.

Loans Total $35,000,000

It is this Agricultural Development Board which is the complement of the savings office and which was one of the chief reasons behind the inauguration of the provincial savings offices. This board has now loaned $35,188,000 to 8,878 Ontario farmers, and has security for these loans amounting to nearly $98,000,000. In 1930 the board experienced its most active year, loaning $7,000,000 to 1,877 farmers.

The board consists of three members with W. B. Roadhouse as chairman. The loans are made on a 20-year basis and at an interest rate of 5½ per cent. Repayment is amortized over the duration of the loan, the annual charge covering interest and repayment being $83.60 per $1,000. The maximum loan is $12,000 and the average loan on the basis of 1930 figures is for approximately $4,000. The maximum valuation allowed for loan purposes is $300 per acre. Loans are made on land only, and on a 50 per cent basis. Stock and implements, however, are frequently taken as collateral security.

Interest Always Met

The 1930 annual report shows an operating surplus for the year of $105,773 after paying $175,588 to the provincial treasurer to offset expenditures for administration expenses and after $48,216 was written off for losses on farms sold or on hand. Total losses during the entire nine years have been about $60,000.

The board so far has always been able to meet its interest on debentures as due, in spite of arrears of payment inevitable under present depressed conditions. This has been made possible through surplus earnings carried forward from year to year and now amounting to $477,872. The board reports that in the matter of collections, for the two payment dates during the fiscal year ended October 31, 1930, over 50 per cent of the amount due was paid when due and that amounts outstanding more than two years is less than 10 per cent, although extensions have been numerous for the 1929 and 1930 seasons. The board also reports that requests to be permitted to feed grain to livestock instead of selling it at sacrifice prices, have been numerous.

According to W. B. Roadhouse, chairman of the board, the importance of such an organization in the province has been very substantial in recent years due to the drying up of money formerly available to farmers either through local sources such as town and village lawyers and through loan associations. The former source has been gradually growing scarcer since the war, the investment lessons taught by victory bonds, plus an increase in bond yields and a decline in mortgage rates, having proved a permanent handicap to agricultural borrowers, many of whom for generations had been accustomed to finance their needs locally.

Federal Loans Cost 6 Per Cent

Loan associations are also abandoning the farm mortgage field, according to Mr. Roadhouse, and as a result, federal legislation is now available whereby provinces can set up a system for farm loans through co-operation with the dominion goverment. The charge for such loans is, however, 6½ per cent with the result that in Ontario—due to the operations of the Agricultural Development Board loaning on a 5½ per cent basis—the system has never been made use of in Ontario.

Commenting on the heavy demand for loans during 1930, Mr. Roadhouse says:

"To some extent this reflects the general economic conditions which have adversely affected agriculture to a greater degree than some other lines. It should be understood, however, that for the most part this is not new indebtedness. The bulk of it is made up of the transfer of mortgages previously held by corporations or individuals. Corporations are finding other outlets for their capital and individuals find bonds more convenient. To the existing mortgage, however, there has been added in not a few cases a few hundred dollars of current debts which a "good year" would otherwise have taken care of. Very often it has not been possible for the board to loan sufficient to clear up all outstanding liabilities. With decreased earnings, there follows inevitably decreased land values and this has called for greater care on the part of the valuators and the board alike. It has, however, been a great advantage to a large number to have their mortgages taken over with or without the consolidation of current debts and at a lower rate of interest."

"Sale proceedings have been necessary in 90 cases. Sale proceedings are taken only as a last resort when the accumulation of two or three years' arrears and taxes and perhaps other debts makes it apparent that a fresh start is in the best interests of the borrower as well as of the board.

Depreciated Currency Not Canada's Panacea

Eastern Manufacturer Vitally Interested in Western Mathematics But Departure from Gold Standard Will Not Cure Our Ills

By Economist's Department, Thomson & McKinnon, Toronto

History has a habit of repetition and about the safest prediction an economist can make is that depression will bring with it demand for currency reform. Before Congress adjourned the wind of currency controversy blew through the corridors of Capitol Hill and subsided (for the session) with a committee's report upon silver. Congress will meet again. The first days of the 1931 session of the Canadian parliament brought a request from the Western wheat area that the dollar should be allowed to depreciate. The matter was introduced by George Coote, member for Macleod, who, by the way, was at one time a banker. In the course of his remarks, Mr. Coote quoted the words of Dr. Melchior, a German economist attached to the German delegation that negotiated the Treaty of Versailles, as follows:

"The falling currency has, it is true, brought apparent prosperity to German industry by means of a premium on exports, which at the same time cripples the industries of the competing countries."

Mr. Coote then went on to say:

"Our chief competitors in the wheat export business are the Argentine, Australia and Russia. The Argentine is our foremost competitor, and that country has a depreciated currency of 30 per cent. So has Australia. If the words of Dr. Melchior are true, and I do not think they can be denied, these two countries have a distinct advantage over us because of the premium on exports; and, repeating his last words, they are crippling the industries of competing countries. They are crippling the wheat industry of Canada."

Barley and Cigarettes

That wheat has lost much of its buying power Mr. Coote made apparent. He told parliament that now it took five bushels of wheat (No. 2) to pay for the half-soling of a pair of shoes, and 60 bushels of barley to buy a pair of work shoes, 75 bushels of oats (No. 1) to buy a pair of ploughshares, and three bushels of barley to secure a package of cigarettes. With our minds bent upon the quotations of Chicago, Winnipeg and Liverpool, we knew that Western wheat growers, whether of Canada or the United States, were in a bad way, but did not until now stop to enquire what the farmer actually gets for his product and how far what he gets falls short of supplying the necessities of life—the crux of the matter, if we are to have permanent production.

That unfortunate situation is new only in its acuteness; it has been in the making for several years. From a low point in 1921 the unit purchasing power of farm products in Canada and the United States raised itself until 1925 and since then, with a partial halt in 1928, it has been declining, until it takes three bushels of barley to buy a package of cigarettes. The Eastern manufacturer has a vital interest in these Western mathematics; not much headwork is required to figure out how many bushels of barley it will take to buy his own product; say a motor truck, and the calculation is not entirely spoiled by recalling that more than half the money paid for cigarettes in Canada passes on to the Government in taxation by way of excise and customs duty on leaf.

Depreciation Not Solution

Without checking Mr. Coote's figures we are prepared to believe the situation serious, not for the wheat growers alone, but for the manufacturers as well, since the sales total can be no greater than the total buying power. Serious for all Canada; but the way out is not through depreciated currency. Valuta dumping might dispose of the wheat growers' surplus, but it would also dispose of confidence in the country's stability. The course run by nations through currency inflations and deflations after the war is well worn and ought not now to require re-travelling.. If incomes, whether by wage or otherwise, could be raised with mounting prices, a part of the suffering that arises out of inflation might be overcome, but the country would then have to face troubles abroad. The world just now is in no temper to put up with voluntary inflation, especially upon the part of a country that adheres to the League of Nations.

True, there are currency difficulties surrounding gold today, but they appear to lie in its distribution, rather than in its adoption as a base of currency. It was largely to prevent the very thing now proposed by the Western wheat growers that the commercial nations of the world worked their several ways through grave difficulties to the gold standard. Commenting upon the fact that more than half the population of the world (i.e. about 944,000,000) is today handling money which is either de jure or de facto linked to gold, Sir Henry Strakosch, in a memorandum prepared for the financial committee of the League of Nations, says:

"We must conclude from their action that they all regard the gold standard as the most appropriate to the present and foreseeable future circumstances; that they consider convertibility of local currencies into fixed weights of gold, or their equivalent in other gold standard currencies, to be the surest safeguard in the present state of our civilization for the limitation of the monetary circulations to the legitimate needs of exchange; and that they regard fixity of the exchanges, which this convertibility assures, as indispensable in a world which depends for its prosperity and progress on international trade in an ever increasing measure. Finally, we must conclude from their action that they are content to link the purchasing power of their money to what gold will buy—that is, to tie their general price levels to gold (and through gold to the price levels of all the other gold standard countries)—in a word, to join in a great monetary partnership with gold as their common bond. They are content, metaphorically speaking, to tie their currency and price-level ships to a common buoy—gold. The huge, ocean-going ship of the U. S. A. towering over the many smaller craft of the other nations, lies there side by side with them, all made fast to their common buoy."

Australia Slips Away

That appears to be a rather plain statement (for the economist) and a fine metaphor as well. The good ship Australia, weakened in its man power by the war and with machinery tinkered out of working order, has for several years been floundering around the high seas, and, we are sorry to say, with injury to the world's commerce, including trade in wheat. She did not drift because she wanted to; but because she had to; because her captains could not head her to the buoy. Remembering Gallipoli, we were all sorry for Australia; but none the less threw out our tariff fenders to protect ourselves where possible, and Canada among the first, by barring her butter. It will be recalled that many of the clogging duties on the world's customs schedules were placed there through pleas for protection against exchange dumping.

The exporters' advantage under depreciated currency is bound, in course of time, to be crushed out by rising prices at home and retaliation abroad; it lasts only while exchange is falling, and when it has fallen nothing remains but a headache. The granting of bounties upon export is fair evidence that the Australian grower, through domestic price pressure, can no longer dump his product under the shelter of exchange. The recent repudiation of interest payments (due in gold) on the part of one of the Australian States, (New South Wales) is an indication of the severity of the headache. And, let it not be forgotten, there have been broken heads in Argentina; riots directly due to the ups and downs of the peso and the failure of wages and commodity prices to remain on common levels.

No two countries have precisely the same trend of commerce, and therefore never the same currency requirements. Abyssinia apparently gets along quite comfortably with a few Maria Theresa silver thalers. Lately we have been told much of the difficulties of 460 million Chinamen with the daily fluctuation in the rate between taels and silver dollars, and venture the opinion that there are 400 million Chinamen who do not know their currency is depressed. Canada is not another Australia. Nor is it another China. Her pressing problems are a part of the world's great problems and are to be solved working with other nations, not against them. The country as a whole would not score even a temporary advantage by depreciated currency, for, it should not be forgotten, she must buy abroad cotton, wool, vegetable oils, rubber, iron ore, bauxite, and a round score of raw materials for fabrication, and pay for them with gold. Canada will remain in the world's monetary partnership. Canada will remain tied to the common buoy—gold. But she will have to smooth out the rough road of her wheat growers.

Bank of Montreal May Close in Vera Cruz

The closing of its branch in Vera Cruz City is contemplated by the Bank of Montreal, according to reports. Decreased volume of business in the port city is given as the reason for the reportedly planned closure. The bank is the largest foreign financial institution doing business in Mexico. It has branches in all the larger cities of the republic, and two in Mexico City. The closing of the Vera Cruz City branch will be the second closing of a branch in Mexico within a short time of each other. The Banco Nacional de Mexico recently announced the closing of its branch in Zacatecas City.

Alberta Committee Find Western Loan Rates High

The report of the sub-committee of the Alberta Legislature's agricultural committee has presented its report after several weeks considerations.

The committee finds that:

1. Excessive rates of interest are charged in the West;
2. Prairie banks are not giving farmer-borrowers the consideration adequate for the proper financing of their ordinary operations;
3. There are indications that "excessive and probably illegal" rates of interest are being charged by various finance corporations in connection with the purchase of automobiles, trucks, etc.

Amendment of the Alberta Debt Adjustment Act and also the Fraudulent Practises Act was recommended.

The committee sat under the chairmanship of George MacLachlan (U.F.A., Pembina).

Cockspur Branch Opened

The Cockspur St. branch of the Royal Bank in London, Eng., has recently opened an extension to the premises to permit added facilities of special value to visitors from abroad. The branch has been in operation only three years but growth in business has made the new extension necessary for some time. The branch is in the charge of J. A. NOONAN.

Bank of Toronto Dividends

A dividend of 3 per cent for the current quarter has been declared by the board of directors of the Bank of Toronto, payable at the bank and its branches on and after June 1, next to shareholders of record on May 15, 1931.

Imperial Bank Moves Slowly On Head Office

Present plans for the new head office structure of the Imperial Bank at the corner of King and Bay Streets, Toronto, call for a building 22 stories in height according to officials of the company. This is not necessarily the final word but is the present plan being worked on by the architects, Messrs. Sproatt and Rolph and will in all probability be the final decision of the board of directors.

Nothing definite has been decided upon as yet as to the date at which construction will commence or as to when the bank expects to have its new head office structure ready ofr occupancy. As a matter of fact no building permit has as yet been applied for from the city, nor have present tenants of the building been given notice. Tenants require about three months notice.

If plans can be prepared in time it is probable that a start may be made on the structure in the fall of this year so as to have the building ready for occupancy by the fall of 1932, but it is possible that nothing will be done until the spring of 1932.

Weekly Bank Clearings

Eastern Cities

	Apr. 10, 1930	Apr. 9, 1931
Halifax	$ 3,700,394	$ 2,754,815
Saint John	2,396,906	1,968,347
Moncton	815,443	961,900
Sherbrooke	1,559,450	645,891
Quebec	6,314,406	4,920,117
Ottawa	7,536,128	5,413,790
Montreal	118,812,188	97,888,934
Kingston	946,226	633,746
Peterboro'	906,885	654,101
Toronto	111,524,761	82,120,620
Hamilton	5,998,479	4,742,914
Kitchener	1,103,630	966,022
Brantford	1,155,611	939,854
London	3,169,550	2,459,840
Chatham	600,388	513,800
Windsor	4,346,469	2,825,567
Sarnia	672,319	520,700
Sudbury	1,205,807	585,843

Western Cities

	Apr. 10, 1930	Apr. 9. 1931
Fort William	$ 940,567	$ 662,039
Winnipeg	44,836,006	30,025,648
Brandon	498,505	378,681
Moose Jaw	1,148,499	708,945
Prince Albert	443,996	345,629
Edmonton	6,436,138	4,194,418
Calgary	8,478,267	7,687,248
Medicine Hat	302,612	218,423
Vancouver	18,629,115	12,921,902
Victoria	2,787,262	1,827,390
Regina	4,512,502	2,868,317
New Westminster	785,284	585,537

POWELL MAY HEAD AGRICULTURAL CORP.

Former Weyburn Manager Well Fitted for Important Post

Although official confirmation is lacking, the appointment of H. O. Powell, former general manager of the Weyburn Security Bank, as general manager of the newly-formed Dominion Agricultural Credit Corporation is expected very shortly. It is known that Mr. Powell has been offered the position and that the new organization is very anxious to secure his services.

Not only has Mr. Powell an excellent knowledge of western farming conditions but his banking associations which extend over a period of more than thirty years should fit him peculiarly for such a position. He received his early banking training in the United States, and has been connected with the Weyburn Security Bank since the early days of its inception in 1902. He has been one of the strongest advocates of mixed farming in the west and was a member of the Better Farming Commission which investigated agricultural conditions in Saskatchewan in 1919-20, following a succession of dry seasons.

Bank Chat

The **Imperial Bank** announces the following staff changes and appointments:

JAMES WALKER, manager, Sault Ste. Marie, Ont., since July, 1923, has been appointed manager, Ottawa branch. Mr. Walker originally joined the staff in 1893 at Sault Ste. Marie and from 1917 until 1923 was manager at Brandon, Man.

Mr. Walker succeeds the late J. D. HOOD who died on April 2. Mr. Hood was in his sixtieth year and joined the staff in July 1887 at Ingersoll. In 1905 he was appointed manager, Woodstock; 1909, manager, St. Thomas; 1911, manager, Quebec; 1912, assistant manager, Winnipeg; 1915, manager, Niagara Falls and in February 1929, was appointed manager, Ottawa.

F. C. TROTT, manager, Cobalt, has been appointed manager, Sault Ste. Marie, Ont.

J. H. McCAW, manager, New Liskeard, Ont., has been appointed manager, Cobalt, Ont.

J. F. MACKAY, assistant manager, Winnipeg, Man., has been appointed manager, New Liskeard, Ont.

H. T. LAMONT has been appointed manager of the Champion, Alta. branch of the Canadian Bank of Commerce.

E. F. MACNEIL, manager of the Hamilton branch of the Bank of Nova Scotia has been appointed manager of the bank's main Vancouver branch.

What Editors Say of Banks

Loans on Fixed Assets

Farm & Ranch Review, Calgary.—Hon. Robert Weir, Federal Minister of Agriculture, complained in a recent Toronto speech of repeated failure of our banks to meet reasonable applications for credit by Western farmers, and cited cases where small loans had been refused in the face of large surpluses of assets over liabilities on the part of the applicants. Spokesmen for the banks at once replied that the general attitude of the chartered banks had always been, and was now, one of great liberality toward agricultural borrowers. Both sides, of course, are discussing glittering generalities.

The real difficulty lies in the formula for valuing farm property. The dismal story is, that for banking purposes, $25,000 worth of fixed assets, i.e., lands, buildings, etc., with a $5,000 liability against them, would be almost entirely disregarded as security for borrowing. The bank, as a matter of fact, is interested almost solely in current assets, i.e., movable property, such as live stock, produce, etc., for which a market is at all times available. It is an unfortunate fact, that the average farmer nearly always has the bulk of his capital invested in fixed assets, and is, therefore, not regarded as a good banking risk. The proper remedy is, of course, to facilitate agricultural borrowing on fixed assets, at a low rate of interest, and over a long term of years. That is the practise in nearly all agricultural countries in Europe. We have made a start in Canada, but are only half way there and now seem to rest on our laurels, satisfied with having provided the machinery and set it in motion at quarter speed.

Banks Do Their Part

Toronto Globe.—It will be gratifying if the conference at Ottawa between banks and Government results in a more lenient attitude in the matter of credits where warranted, assuming that the cases recently recorded by Hon. Robert Weir and Mr. E. J. Garland, M.P., were typical of the discrimination alleged. Nothing is more liable to arouse antipathy on the prairies toward the East than a belief that unfairness prevails in using the country's financial resources through bank loans. Existence of such a feeling would be injurious to the banks as well as to the country commercially and politically. Similarly the whole country is concerned with the maintenance of a healthy condition in every section, whether rural or urban. This is realized by the bankers, of course, but many people in other walks of life do not pause to consider that the first duty of banking institutions is to safeguard the depositors' funds and that the yardstick must be applied dispassionately to credit standing when these funds are let out.

Under existing conditions, therefore, the banks are between two fires, and it is altogether probable that too rigid use of the yardstick has produced justifiable complaints. Ottawa despatches pertaining to the conference lead to the belief that such cases will have closer attention with a view to extending credits, and that the Western wheat growers, as a whole, may expect liberal treatment through this year's seeding and harvest.

There is little doubt that this is necessary and that the decision will produce a better feeling all around. No thoughtful person, however, will take it for granted that this solves the wheat situation. The banks cannot lend the depositors' money without reasonable assurance of its return, whether it goes to a farmer or manufacturer, and the wheat growers must sell their crops in order to repay. The important thing is to find markets. Since the government has called upon the banks to extend credits, it has enlarged upon its obligation to find buyers for the crops the banks will finance.

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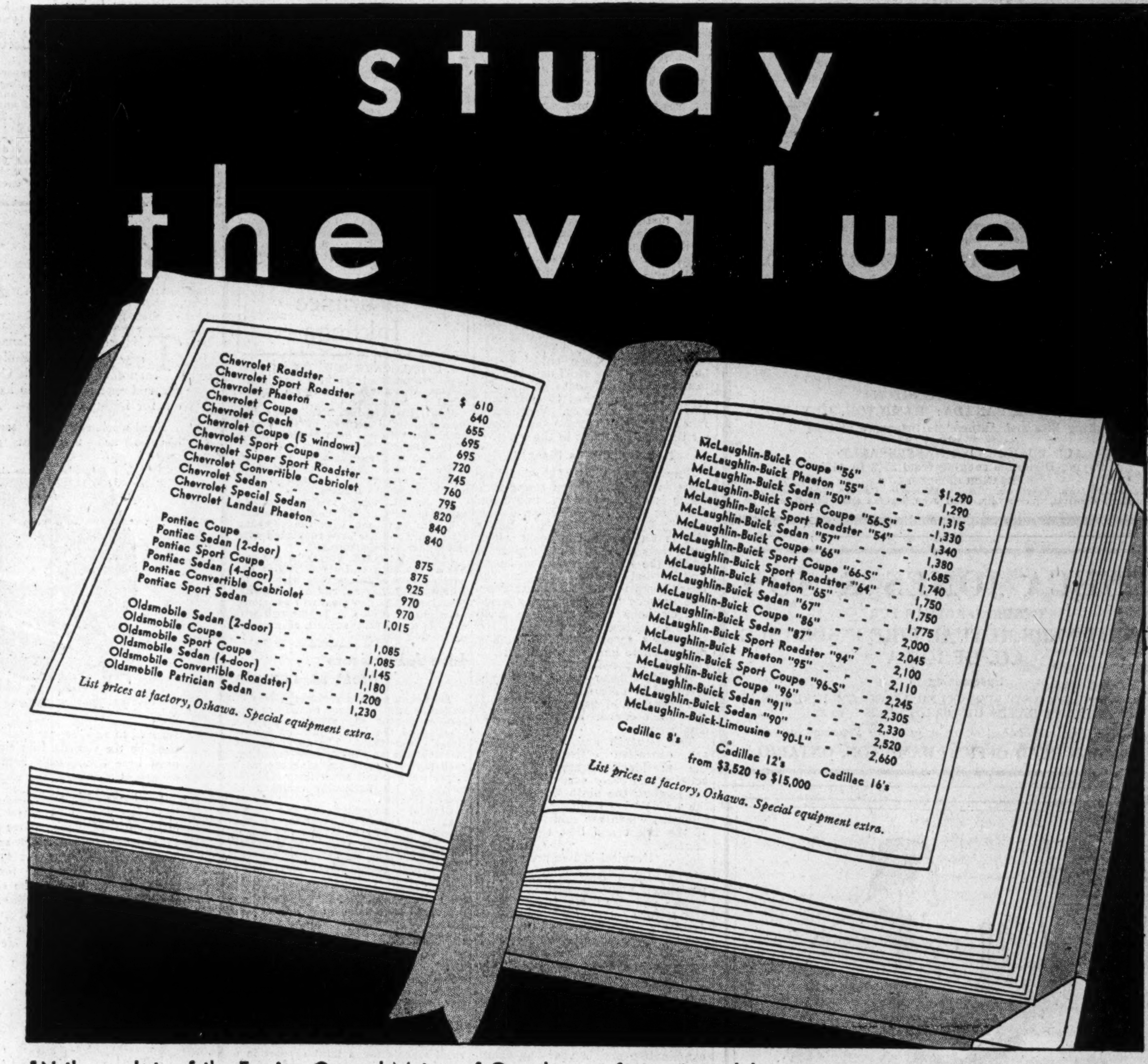

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Chevrolet Coupe (5 windows) - - - 720
Chevrolet Sport Coupe - - - 745
Chevrolet Super Sport Roadster - - - 760
Chevrolet Convertible Cabriolet - - - 795
Chevrolet Sedan - - - 820
Chevrolet Special Sedan - - - 840
Chevrolet Landau Phaeton - - - 840

Pontiac Coupe - - - 875
Pontiac Sedan (2-door) - - - 875
Pontiac Sport Coupe - - - 925
Pontiac Sedan (4-door) - - - 970
Pontiac Convertible Cabriolet - - - 970
Pontiac Sport Sedan - - - 1,015

Oldsmobile Sedan (2-door) - - - 1,085
Oldsmobile Coupe - - - 1,085
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Oldsmobile Convertible Roadster) - - - 1,200
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McLaughlin-Buick Sport Coupe "56-S" - - - 1,330
McLaughlin-Buick Sport Roadster "54" - - - 1,340
McLaughlin-Buick Sedan "57" - - - 1,380
McLaughlin-Buick Coupe "66" - - - 1,685
McLaughlin-Buick Sport Coupe "66-S" - - - 1,740
McLaughlin-Buick Sport Roadster "64" - - - 1,750
McLaughlin-Buick Phaeton "65" - - - 1,750
McLaughlin-Buick Sedan "67" - - - 1,775
McLaughlin-Buick Coupe "86" - - - 2,000
McLaughlin-Buick Sedan "87" - - - 2,045
McLaughlin-Buick Sport Roadster "94" - - - 2,100
McLaughlin-Buick Phaeton "95" - - - 2,110
McLaughlin-Buick Sport Coupe "96-S" - - - 2,245
McLaughlin-Buick Coupe "96" - - - 2,305
McLaughlin-Buick Sedan "91" - - - 2,330
McLaughlin-Buick Sedan "90" - - - 2,520
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Canadian Pulp and Paper News

Newsprint Securities Sink to Lower Levels As Confidence Wanes

All Classes of Paper Stocks Keep Selling Off

SITUATION MUDDLED

Reorganization of Canada Power Seen as First Step in Improving Situation

From Our Own Correspondent

MONTREAL.—Conditions within the pulp and paper industry have not undergone any improvement. Instead there appears to be more pessimism than heretofore. The feeling prevails that a major operation is the best remedy and that instead of letting the patient continue to suffer, something should be done at once.

It might be said on the one hand that sufficient time has not elapsed to permit the drawing up of an equitable plan, but such is not the case, because for more than a year followers of the industry have realized that a radical adjustment had to be made in order to put the industry on a sound footing. Procrastination has been general in the hope that conditions would take a turn for the better and there would be no need of disturbing the present corporate and capital structures. The fallacy of this belief is becoming more apparent as each day goes by.

Canada Power Problem

The principal problem confronting the industry at the moment from a corporate standpoint, is the need of effecting a reorganization of Canada Power & Paper. At the annual meeting, J. H. Gundy, president, stated that such a step was necessary. Various interests are now at work trying to devise a plan which will be suitable to all parties. In view of the complexity of the situation, surrounding that company, it may be some time before any scheme of arrangement is drawn up. Until steps are taken to clear up the Canada Power & Paper situation, it is unlikely that any action will be taken to bring about more general changes.

The principal need of the industry, of course, is more tonnage. The boom years of 1928 and 1929 brought about an abnormal demand for newsprint and other classes of paper. With the crash in the stock market in November, 1929, it was obvious that advertising would fall off and in turn the demand for newsprint paper. Such has been the case. But despite the unmistakable trend other newsprint machines were installed, further complicating an already unsatisfactory situation.

Lean Times Ahead

Until such time as demand again comes up to productive capacity, newsprint operators are likely to experience lean times. And, further, unless investors in newsprint securities agree to readjusting capital to current earning power, returns on the capital investment are likely to be light.

There is little doubt but that many of the Canadian newsprint companies have been capitalized on a too generous basis. This was a reflection of financial operations at the time new capital was raised. Now that earning power has been seriously curtailed, it is found necessary to pass dividends. Bond interest payments have been jeopardized and may possibly be passed unless the bondholders agree on some plan or plans for relieving the company or companies of their onerous charges.

Securities Values Low

It is only natural that situation should be reflected in the current values of pulp and paper securities. At present, values, generally speaking, are at the lowest level for all time. Nor does it appear that the market has overly discounted the situation. While the picture looks black, there are possible developments which would further affect market quotations, especially on junior securities.

Examination of the attached list portrays more clearly than anything else, the opinion held by investors on pulp and paper securities. The list represents the bids in 1930 and 1931 on the preferred and common stocks of the major pulp and paper producing companies in Canada. Some are wholly newsprint producers, others produce newsprint and fine papers, while some devote their energies solely to producing the better grades of paper. But one and all reflect the situation, in that, with one or two exceptions, the common stocks of the companies represented have little or no market value.

Survey of Stocks

Examination of the list shows that Abitibi, one of the world's largest newsprint producers, has seen its common stock drop from a high of 42⅛ in 1930 to the current low level of 7, while its preferred stock is selling at less than 40 per cent of its face value.

Bathurst, a relatively small newsprint operator in New Brunswick, has fared no better than the bigger operators. Its stock, originally offered at 40 a share, with a bonus of B, is selling around 4½.

Canada Power & Paper's securities, of course, have reflected the troubles of the company and lack of confidence. The $100 debentures, which were brought out in the early part of 1928 at approximately par, have dropped to 6, while the common stock has only a nominal value at $1. The preferred stocks of the subsidiary, which at one time were regarded as highly suitable investments, have dropped to about 10 per cent of their original value, with little or no bidding.

Other Securities Affected

Dryden's stock, a sulphate pulp and kraft paper producer, has fallen away to 4, largely in sympathy with the general situation. Fraser Co.'s, once looked upon as one of the strongest industries in the Maritimes, has worked itself into financial difficulties and its common stock has only a nominal value, while no active bid is maintained on the senior securities.

Howard Smith, one of the largest fine paper makers in the Dominion, has been affected by the business depression and falling off in demand for its products. Consequently operations and earnings have become limited, which, in turn, has knocked down the value of the company's securities.

Price Stock Holds

Price Bros., looked upon as one of the largest and strongest companies in the pulp and paper field, has not escaped unscathed. It, too, has suffered with the rest, though its position, generally speaking, is stronger than the average. The company has managed to pay dividends, but the disrepute of the group has affected the value of its securities.

St. Lawrence Corp. and St. Lawrence Paper Mills represent one of the largest units in the newsprint field. Operations have been curtailed and earnings no less affected. Here again uncertainty exists and the market reacts accordingly.

Though the market position of the various pulp and paper securities is depressing, there is confidence in the ultimate outlook for the industry. The present period is an extraordinary one, but once the decks have been cleared, there are many of the opinion that stocks in this group will again come into their own.

RANGE OF PULP AND PAPER SECURITIES

	1930		1931	
	High	Low	High	Current
Abitibi, com.	42⅛	8	13½	7
Do., pfd., 6%	87	36	50	32
Bathurst "A"	10½	5	5	4½
Can. Power & Paper	19½	4	4½	1
Do., debentures	75½	28½	28½	6
Port Alfred, pfd.	90½	50	29	10
Belgo, pfd.	100¼	81	..	..
St. Maurice, pfd.	90	50	..	..
Donnacona	27⅛	11	12	10
Dryden	15	4	7	4
Fraser	17½	1	3	1¼
Howard Smith	22	4	5½	4¾
Do., pfd.	84	80	..	..
Price Bros.	84	41½	42¾	37
Do., pfd.	106	95	98	89
St. Lawrence Corp.	8¾	2½	4	2
Do., "A"	27½	7⅝	12	6
St. Law. Paper Mills, pfd.	71¼	27	30	21

Australian Demand For Paper Declines

From Our Own Correspondent

MONTREAL.—Considerable interest attaches to the exports of Canadian newsprint to Australia this year, returns for January and February showing a marked falling off in comparison with the same two months last year.

During February, 1930, Canada shipped 3,990 tons of newsprint to Australia, but for the same month this year, exports amount to only 84 tons. For the first two months of 1931, exports totalled 1,841 tons against 7,952 tons for the same period last year.

This decline is all the more interesting and significant, especially in view of the fact that exports to New Zealand to date this year are ahead of those reported for 1930.

Mersey Paper Ships Record Cargo to New York

From Our Own Correspondent

MONTREAL. — Mersey Paper Co.'s steamship Markland set up a new record early in April, when it handled a cargo of 4,000 tons of newsprint paper from Liverpool to New York. Of this total, 1,150 tons were consigned to the New York Herald-Tribune, with the remainder for distribution among other metropolitan dailies.

The Markland is an oil-burning vessel of 4,454 gross tons, and was especially built to carry rolls of newsprint. She entered service in December, 1929, and since then some thirty voyages have been made to date. About half the total cargoes have been consigned to the Herald-Tribune.

March Asbestos Exports Show Gain Over February

From Our Own Correspondent

MONTREAL.—A marked improvement took place in the shipment of asbestos from Quebec during the past month. Exports of Crude No. 1 totalled 36 tons, compared with 8 tons in the preceding month. Crude No. 2 shipments advanced from 29 tons in February to 40 tons in March, while fibre shipments dropped away from 4,221 tons to 3,700 tons. Exports of shorts in bags totalled 4,303 tons, against 3,397 tons in February. There have been no shipments of refuse in bulk since January.

Comparisons of the March, 1931, shipments with those of the same month last year, show that current operations are still on a somewhat smaller scale than in 1930. In each of the major divisions there was a smaller export, crude No. 1 shipments, for example, totalling 107 tons in March 1930, as against 36 tons in the same month this year.

Westminster Paper Covers Bond Interest

From Our Own Correspondent

MONTREAL.—Officials of the Westminster Paper Co. are reported as stating that bond interest for the entire year ending July 31, 1931, was earned in the first three months of operation.

The new plant, replacing that destroyed by fire, went into operation in June last year and has operated at full schedule ever since.

Canadian Airways Ltd. Extend Route to Halifax

From Our Own Correspondent

MONTREAL.—Canadian Airways inaugurated on April 8, 1931, a service between Saint John and Halifax to connect with the Canadian Pacific train reaching Saint John on Thursday mornings at 11 o'clock. This aeroplane service will enable a passenger to reach the Nova Scotian capital at 1.30 p.m. the same day.

The return service will take place on Friday, the plane leaving Halifax at 12.30 p.m. in time to enable the passenger to catch the 3.00 p.m. train for Montreal.

NEWFOUNDLAND PAPER INDUSTRY SETS FAST PACE

Newsprint Now Regarded as Principal Export Commodity

From Our Own Correspondent

MONTREAL.—Advance of newsprint to first place in value, features Newfoundland's trade returns during recent years. In 1929, newsprint exports closely approached in value the exports of the fishing industry, while the returns of 1930 are expected to show the former in the lead.

For the fiscal year 1928-29, paper exports were valued at $14,885,000, against $16,031,000 for the output from the fisheries.

During that year the United Kingdom and the United States took 38 per cent and 59 per cent, respectively, while Russia took the remaining 3 per cent. Exportation about equalled production.

Output Keeps Gaining

Newfoundland's output of newsprint in 1929 totalled 255,500 tons, and in 1930 to 287,259 tons. Returns for the first two months of 1931 show a production of 48,659 tons, compared to 44,361 tons in the same period last year.

The newsprint industry in Newfoundland is controlled by two concerns: Anglo-Newfoundland Development Co., at Grand Falls, for the production of paper to be shipped principally to the United Kingdom; and Newfoundland International Power and Paper Co., which began operations at Cornerbrook in 1925, and whence practically all shipments are made to the United States. The daily capacity of these two paper mills is over 900 tons, or just less than 20 per cent of that of United States mills and more than 5 per cent of the capacity for all North American mills.

The British newsprint mills at Grand Falls, which began production in 1909, had a daily capacity of 102 tons, and has now a possible output of 421 tons. Exports from this mill, practically all of which goes to the United Kingdom, advanced from 100,452 tons in 1929 to 116,480 tons in 1930.

Cornerbrook Plant Modern

Newsprint production of the Cornerbrook plant did not begin until 1925. The plant, operating at full capacity in 1930, now has a daily possible output of 500 tons. Shipments during 1930 amounted to 163,458 tons—or almost the entire year's production of 168,051 tons. It is stated that production costs in 1930 were $43 a ton, as against a higher figure at other North American centres of production.

Operations in the Newfoundland forests last year were reported as normal. The British company is reported to be planning to increase the efficiency of its operations by stressing summer production, with its longer days and the wider use of saws than in the winter season. An attempt is being made to make wood-cutting a permanent, all-year-round occupation, and to advance modern equipment in the woods in line with that adopted in the mills. Transportation now used includes trucks, tractors and finally, rail transport to the port of Botwood, where paper is shipped directly to British ports.

DOM. ENGINEERING SECURE CONTRACT ON NEW ROD MILL

Will Build for Eugene Phillips—Develop New Product

From Our Own Correspondent

MONTREAL. — Dominion Engineering Works has been awarded a contract for a new copper rod rolling mill by the Eugene F. Phillips Electrical Works.

The Phillips company installed a rolling mill at the Brockville plant in 1922, but owing to the growing demand it was decided early last year to investigate the latest type of mills operating in the United States, Great Britain and the Continent. After careful consideration it was decided to install a semi-automatic mill equipped with roller bearings throughout, having a minimum rated output of 15 tons per hour of quarter-inch copper rod.

Propositions were received from different mill manufacturers, which resulted in their placing the contract with the Dominion Engineering Works, whose guaranteed performance both for copper output and power consumption outweighed proposals received from other sources, to say nothing of the fact that the mill would be built in Canada.

Dominion Engineering Works are co-operating with the Farrel Birmingham Co., of Ansonia, Conn., which for many years has specialized in this type of rolling mill equipment.

The total cost of the mill and equipment will be approximately $225,000.

Produce Wiener Refiner

Dominion Engineering Works is putting on the market a new product known as the Wiener refiner, which is designed for the treatment of wood fibre and similar materials. The company has the exclusive manufacturing rights for Canada.

The principle of the Wiener refiners is the generation of a high differential pressure between the grooves in the outer casing and the grooves in the rotor, which results in the movement of the material being treated ,between the fixed and rotating grooves at an extremely high velocity and frequency. The material is thus subjected to violent disintegrating impact at each movement, alternately under fluid pressure and partial vacuum. A certain degree of brushing action also takes place, although the fixed and rotating parts are not in metallic contact.

The effectiveness of the disintegrating action may be more clearly understood from the fact that this machine is capable of reducing such materials as gravel, coal, rocks and other similar hard substances to a fineness of over 90 per cent minus 200 mesh in one pass through the machine. Dirt and other hard foreign substances in paper stock are likewise reduced to a degree of fineness unnoticeable in the finished sheet.

NEWSPRINT BODY TAKEN TO COURT BY PRICE BROS.

Enter Action to Recover $750,000 from Institute

From Our Own Correspondent

MONTREAL.—Price Bros. and Co. have taken legal action against the Newsprint Institute of Canada to recover $750,000 and accrued interest, which the former claims the latter owes as a result of various dealing arising out of the formation of the latter organization over two years ago.

Twelve companies, members of the Institute, were named as co-defendents in the case, and several other companies were made party to the action. Price Bros. allege that the defendant companies owe the Newsprint Institute varying amounts of money and that the Institute in turn was debtor to the claimants for the sum stipulated in the action, namely, $750,466, together with interest amounting to $36,695.

Full details of the action are lacking at the moment, but it is understood that Price Bros. is attempting to realize on the notes of the Institute, which organization cannot redeem them, until money owing by the member companies has been paid into the treasury.

Member Firms Liabilities

The amounts stipulated by Price Bros. to be owed to the Newsprint Institute follow, the companies named being co-defendants of the suit:

Abitibi Power and Paper	$675,615
Bathurst Pulp and Paper	39,785
Beaver Wood Fibre....	29,361
J. R. Booth	84,438
E. B. Eddy	54,501
Fort Francis Power and Paper	276,108
Great Lakes Paper	346,658
Kenora Paper Mills ...	257,334
Lake St. John P. and P.	47,677
James Maclaren Co. ...	20,086
St. Lawrence Paper Mills	167,838
Thunder Bay Paper ...	4,976

The following companies are added to the action as mis-en-cause; Anglo Canadian Pulp and Paper Co., Canada Power and Paper Corp.; Donnacona Pulp and Paper Co.; and Port Alfred Pulp and Paper Corp.

Background of Case

To appreciate the causes leading up to this action, one must go back to the late fall of 1928 when, through the efforts of the Premiers of Quebec and Ontario, the Newsprint Institute of Canada was formed to apportion the newsprint business on a pro rata basis. With the exception of Canadian International Paper and one or two others, nearly all the large producers of newsprint became members of this organization. In distributing the new business, it was necessary to make various adjustments among the member companies. Thus, while one company may have secured the contract, another company would do the manufacturing. Also, it is understood, certain price agreements were entered into and differences settled among the members. As a result of the various deals, Price Bros. are now establishing their claim to $750,000 of notes given by the Institute, and which the latter is apparently unable to pay until the other member companies clear up their indebtedness. There is also questioned the ability of the Institute to collect from the members, as it is reported that some of the charges are in dispute.

May Uncover Facts

Considerable interest surrounds this law suit as it is likely that the proceedings will bring forth many interesting sidelights of the operation of the Newsprint Institute. This organization has been generally regarded as a price-fixing combine, though statements to this effect have been strongly denied from time to time. There is no doubt, however, that the Institute has been a strong factor in preventing underselling.

The affairs of this organization have not been altogether prosperous in the last six months or so. It will be recalled that in September last, Col. John H. Price, head of Price Bros., resigned his position as chairman of the Board of Governors of the Institute. At that time he made public a letter in which he stated that he was convinced that the Newsprint Institute's aim had been defeated by its own members who did not, he said, conform to their agreement. It would appear from present indications, irrespective of the outcome of the present law suit, that the Institute's period of usefulness has passed.

CLAUDE NEON MARCH SALES SET UP RECORD

Quarterly Returns Compare Favorably With Those of 1930

From Our Own Correspondent

MONTREAL.—Sales and earnings of Claude Neon General Advertising for the first three months of the current year are semi-officially reported to have increased at about the same ratio as the gain which was registered in the same portion of 1930 over 1929. March was a good month all through and, while final results have not yet been collated, it is known that the period will set a new record of business activity for the organization.

Constituent companies operating in various sections of Canada are going ahead with their development plans and are finding a steadily increasing appreciation of the value of Neon Light as a medium of sign display and flood lighting.

Develop New Tubes

Attention has been drawn to the new developments announced by the Neon Light Systems through the perfection of new tubes, which may be used for industrial, commercial and domestic lighting and decorating effects. It is understood that, in due course, announcement will be forthcoming indicating more generally the direct commercial distribution of the new tubes.

Public financing in this company was carried out recently in the form of $1,000,000 of 7 per cent cumulative redeemable preferred stock, which was sold at 96 with a bonus of common. The market for the common stock has shown a better trend lately, the shares being quoted around 9 to 9½.

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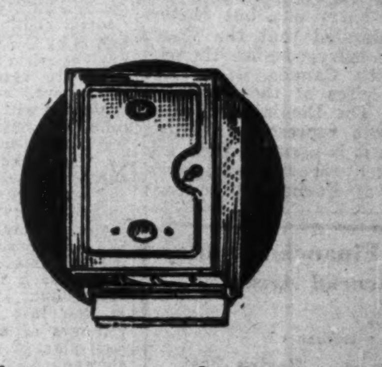

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WILL NOT CHARGE WHEAT POOL LOSS AGAINST MEMBERS

Manitoba Withdraws Legislation It Had Planned

ALBERTA DROPS OUT?

May Sever Link With Central Selling Agency—Fight Goes on in Saskatchewan

From Our Own Correspondent

REGINA.—Argument was concluded last week before the Saskatchewan Court of Appeal on the validity of the province's Grain Marketing Act of 1931, for the purpose of creating a compulsory grain pool, which was referred to the court by the provincial government. Counsel for the provincial government and for the wheat pool upheld the validity of the statute, and counsel for the Anti-Compulsion Association and for the grain trade argued against it. Argument took the expected course in the main, the statute being supported on the grounds that it deals with property and civil rights, which under the British North America Act are within the jurisdiction of the provinces, and being attacked because of its interference with trade and commerce, which are subjects of Dominion jurisdiction. Conflict between the new Act and the Canada Grain Act was pointed out, the latter imposing duties upon grain companies which the former would forbid them to carry out, but Justice Turgeon intimated that the Court would, if necessary, consider the possibility of the Canada Grain Act being ultra vires of the Dominion Parliament. The Dominion Government was not represented at the hearing, but it is assumed that any decision which throws doubt upon the powers of Parliament to pass the Canada Grain Act would be appealed by that Government.

Carry on Campaign

In the meantime the argument on the subject of compulsory pooling is being continued in the country, just as if there were no doubt of the validity of the statute, or of the taking of a referendum to decide whether or not it shall be declared effective. Meetings are being held daily in various parts of the province, by the wheat pool in support of the plan, and by the Association opposed to Compulsory Pooling against it. Reports usually indicate a successful meeting for whichever side was in charge, furnishing a close analogy to political campaign meetings.

Premier Anderson found it necessary to issue a statement declaring that the Government of the province is not backing compulsion, and is not to be held responsible for the plan. The Government is neutral on the matter, having merely allowed legislation to pass which would enable farmers to decide what they desire.

Denial has been made by the association opposed to compulsory pooling of the reports that an injunction was to be sought restraining the directors of the Wheat Pool from spending the money of that institution on propaganda for compulsion.

Will Alberta Withdraw?

From Our Own Correspondent

CALGARY.—Reports emanating from Calgary have received wide circulation to the effect that the Alberta Wheat Pool intends if possible to withdraw from the Central Selling Agency through which the three western wheat pools have so far marketed their grain. President Wood in reply to enquiries replied that it is impossible to make a definite statement in the present condition of affairs.

It is a matter of common knowledge that the board of directors of the Alberta Pool have had under discussion the possibility of getting out of the Central Selling Agency. Even before affairs of the Wheat Pool reached their present crisis the Alberta Pool has been decidedly restive under existing arrangement, being frequently out of sympathy with Saskatchewan and Manitoba. The crisis brought about the feeling that Alberta would get along better by itself and might make a greater success of selling its own grain, while the campaigns for compulsory pooling in the other two provinces have completed the breach. The compulsion idea has made practically no progress whatever in this province, in spite of the fact that a resolution in favor of a referendum on the subject was passed at the last meeting of the United Farmers of Alberta. The compulsory pool plan, if put into effect in Saskatchewan, would automatically destroy the Saskatchewan Pool as it now exists, and the Alberta Pool directors are determined in that event to have nothing to do with the organization that may succeed it. In spite of the fact that the Alberta Pool is likely to have a debt of close to six millions against it in connection with the government guarantees of the borrowings of the Central Selling Agency, the directors of the organization believe that it is possible for it to survive by modifying their plans. The idea most in favor is to carry on as a grain company handling grain either on the open market or on a pooling system as customers may prefer.

Give Agency Small Chance

Even if the compulsory pool plan does not carry in Saskatchewan the impression here is that the Central Selling Agency will not, because of its financial position be able to handle grain of another year's crop. Or at all events would be unable to give any satisfactory advance on grain delivered to it. Such a state of affairs would give Alberta the chance to pull out and to attempt to carry on by itself. Such a development, it is claimed, might strengthen the Alberta organization, because provincial feeling is very strong in this province, and Alberta farmers like to think of the grain going out through the Vancouver gateway, taking a separate route to market from the grain of the other two provinces.

Manitoba Grants Respite

From Our Own Correspondent

WINNIPEG.—Manitoba pool farmers are not to be compelled by law to make good the pool's indebtedness to the Government in respect to guarantees given by the Government for the financing of the 1929 crop. A provision creating a liability against the individual pool member to repay to the pool the "over-payment" received on that crop was dropped by Premier Bracken from the bill dealing with the guarantees in question which has just been put through the legislature. Criticism of the proposed plan came from both the Liberal and the Conservative opposition groups in the legislature, and pressure was also brought to bear from the ranks of the premier's own supporters who realized the political dangers involved in creating by law a debt against individual pool members which otherwise, under their contracts, would not exist.

Hard Blow to Province

Guarantees in question were given by the Government of Manitoba, along with the Governments of Saskatchewan and Alberta, in March, 1930, to various lending banks of loans made to the Central Selling Agency of the three provincial pools in respect to the marketing of the 1929 crop. While the marketing of that crop is not yet complete, the total amount for which the three governments are liable to the banks, as the result of the fall in the price of grain, is in excess of $22,000,000, and Manitoba's share is approximately $3,500,000. Although the actual amount is considerably smaller than is the case with the other province's the situation in Manitoba is relatively more serious, because of a larger proportion of coarse grains handled by the pool in this province, on which the losses were even greater than on wheat. In Alberta and in Saskatchewan, the pools have elevator assets the nominal value of which is in excess of the provincial liability. and the governments there have some hope, however thin, of ultimately escaping loss. But the Manitoba loss is much greater than the total of pool assets, and the only way in which loss to the Government could be avoided would be by collecting money back from individual pool members. Abandonment, therefore, by the Government, of the idea of forcing such repayment means that the province of Manitoba must figure on a fairly heavy loss, probably well in excess of a million dollars.

The change also creates a special difficulty with respect to the continued existence of the pool. So long as the Government proposed to create a special asset for the pool in the shape of claims against its members amounting to $3,500,000, the Manitoba pool was in no danger of being declared insolvent. Without that, pool liabilities are apparently going to exceed pool assets by a large amount, and there is the possibility of pool members trying to escape from their delivery contracts on that ground.

Postpone Prior Claim

When the Government took security on the elevators of the Manitoba pool in order to protect itself against ultimate loss, it was found that this interfered with the ability of the pool to finance the 1930 crop. The Government accordingly postponed its security in favor of the banks to whom the elevators were pledged, in so far as loans on the 1930 crop were concerned. Legislation just passed validates that action, and also gives the Government power to repeat its action in subsequent years. Premier Bracken indicated in the House his intention to make such further postponement, as otherwise it would probably be quite impossible for the Manitoba pool to secure finances for another crop.

The premier, however, indicated some doubt as to whether or not the pool should be allowed to function without change for another year. The Government's final decision on that point, it is understood, will depend upon the reports to be made to it by E. K. Williams, K.C., who is acting in the dual capacity of a commissioner to investigate the charges made in respect to Manitoba pool elevators by J. R. Murray, and as special counsel investigating pool affairs for the Government. The investigation, in so far as its public aspect is concerned, is moving slowly, although one pool elevator agent has been examined with respect to large overages and grade grains which took place at his elevator. A great deal of documentary material has been filed with the commission, which will doubtless enable proceedings to move more rapidly when public hearings are resumed.

Are Still in Dark On Marine Bldg. Bonds

From Our Own Correspondent

VANCOUVER. — Effect of the proposed acquisition of the Marine Building by the city of Vancouver on the bonds originally issued on the structure by G. A. Stimson & Co. is causing some speculation here and is a matter of lively interest to those now holding the bonds.

The city would convert the Marine Building into a city hall, but the deal is apparently a long way from completion. The matter has been the subject of several sessions of the council, most of them in camera.

When asked about the effect of the deal on the bonds, members of the council stated that they had no idea what it would be.

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POWER SCHEMES HOLD ATTENTION OF MANITOBIANS

Government and British Group Have Plans to Further

From Our Own Correspondent

MONTREAL.—Power has become the topic of interest in Manitoba's provincial affairs. At the present time the city of Winnipeg and the Northwestern Power Co. have under way two large power developments which should provide sufficient power to take care of requirements for many years to come.

This has been no deterrent to two other schemes now being considered. The first is the development of White Mud Falls on the Nelson River, plans for which will likely be submitted to the Manitoba Government within the next few weeks by the British Dominion Power Co. The priority permit was granted two years ago to Sir Reginald Brade, official of the company, and renewed for a further twelve months last year. It expires May 21.

Province Has Plan

The second scheme is that outlined by the Premier in his Budget Speech, toward which a sum of $12,000 has been set aside for investigation and survey of the plan under which the Saskatchewan River flow into the north end of Lake Winnipeg would be diverted to the south end via two other lakes. This would bring the power development within 140 miles of Winnipeg.

Besides giving Manitoba 400,000 additional horsepower, a waterway extending from Southern Alberta to Winnipeg, cutting the heart of the West's rich coal, wheat and mineral fields, would be opened up. Dominion aid would likely be asked for construction of locks and other facilities for navigation.

Nearer to Winnipeg

The power development, as outlined in the Budget Speech, would be on the Dauphin River near Sturgeon Bay, which lies half-way up the west coast of Lake Winnipeg. It would be 100 miles closer to Winnipeg than the proposed Grand Rapids power site on the Saskatchewan River and 200 miles closer than the White Mud falls on the Nelson.

Work on the project would mean construction of a dam at the outlet of Cedar Lake, above Grand Rapids, where the Saskatchewan now empties into Lake Winnipeg; cutting of a diversion canal between Cedar Lake and Lake Winnipegosis, to the south; and eventual building of a plant on the Dauphin River which drains Lake Manitoba into Lake Winnipeg. Other accessory engineering works would be necessary.

Western Steel Products Awarded Elevator Contract

From Our Own Correspondent

MONTREAL. — Western Steel Products, controlled by Corporate Steel Products, has secured contract for 300 tons of steel spouting for the big Canadian Government grain elevators to be erected at Churchill this year. Contracts placed with this firm are stated to involve approximately $200,000 and include steel conveyor legs and spouting, dust collecting systems, roofing, steel sash, rolling steel doors for track sheds, fire doors, etc., all of which will go into the making of one of the most modern grain handling plants on the continent.

The Churchill elevator is to have a capacity of 2,000,000 bushels and is expected to be completed in time to handle test shipments of this year's grain from the Prairie Provinces to Europe by the Hudson Bay route.

WPG. ELECTRIC HEAD CAUSTIC ON TAX LEVIES

City Receives Double the Amount Paid Out in Dividends

From Our Own Correspondent

MONTREAL. — Pointing out that the city of Winnipeg has been getting twice as much in taxes as the company has been paying out to its common stock shareholders in dividends, and further that the city has not a dollar invested in the company and whereas the shareholders have somewhere in the neighborhood of $40,000,000, Edward Anderson, president, went into a lengthy review of the tax situation as affecting the Winnipeg Electric Company at the annual meeting of the shareholders.

In referring to the alleged oppressive taxation, Mr. Anderson had the following to say:

"The company is very unfairly treated as far as taxation is concerned and I want to impress the shareholders of the company, and I want the public to understand, that this company is unfairly treated as far as taxation is concerned. I venture to say that there is no other institution in Winnipeg that is taxed as heavily and subjected to as many different kinds of taxes, as this company.

"We have to pay a property tax. We do not object to that, that is what everybody else has to pay, and that is what we as individuals have to pay.

"There is a business tax for carrying on business, the same as any other business firms in the city. We do not mind that.

"Then there is the fixed assessment. That is not a fair tax. By statute a good many years ago the city was authorized to assess the company a fixed amount based on population in lieu of a business tax, and on that fixed assessment we pay the special tax, whatever it may be, but that, I want to point out, is in addition to our regular tax, and that is something that no other institution in this city has to pay. It was provided for at a time when we were supposed to have a monopoly of transportation, gas and electric light business in the city.

Still More Taxes

"There is a separate tax, by way of fixed assessment on the street railway, on the electric utility and on the gas utility. As far as the electric utility is concerned, we have competition with the City Hydro and they are also in competition with our gas utility, so that the conditions which exist, even if they ever justified such a tax have ceased, and there should be a modification of this tax.

"On top of that we are charged a 5% tax on our street railway gross earnings. That is a very unjust tax, one that is entirely indefensible, and one that I feel if the public becomes sufficiently cognizant of our position, it will support us in our efforts to have removed. If it were out of net earnings it might be a different proposition, but to pay our 5% before you get in any net earnings at all is not a fair tax. The 5% tax is only against the railway and since the time it was provided for—it was 30 years ago—conditions have materially changed since then.

Pay for Street Use

"It was assumed that the street railway transportation franchise was a very valuable one, and that something should be paid for the use of the streets, particularly as it was an exclusive or monopolistic franchise. These conditions have entirely changed. The advent of the automobile has taken away, to a large extent, the exclusive monopoly that was granted to the company when it first obtained the right to do business.

"Then there is a car license tax. I am not objecting so much to that, but I may just point out how the authorities are pyramiding the taxes upon us.

"Then we have very large obligations as far as paving is concerned. That has been much discussed and I will not take time to canvass it at the moment but I think it is admitted on every hand, even by the civic authorities, that this is an unjust tax under present day conditions. Then it costs us a good deal of money for snow removal. I put it to you. If it is the duty of the city to provide free passage way upon the streets for automobiles or other vehicles, then it is just as much their duty to provide free passage way for the street railway. Then on top of that we have to pay a corporation tax and then an income tax.

"I wish I were talking to the whole body of citizens of Winnipeg, because I think I have convinced you, and I would convince them that we are suffering under an unjust burden of taxation.

"Let me put it to you in this way, a little more convincingly than enumerating the taxes. In the last fifteen years we have paid twice as much money to the city in taxes as we have paid out in dividends upon our common stock.

"If anyone will say that this is a proper condition of affairs, then I must confess I do not know what is proper in the matter of taxation.

"Just to give you the same idea of the magnitude of these taxes. Last year we paid in taxes alone $708,000, practically three quarters of a million. The city of Winnipeg has been getting twice as much in taxes as we have been paying out to our common stock shareholders in dividends, and the city has not a dollar invested in the company, whereas we have somewhere in the neighborhood of $40,000,000."

Power Commission Set Up in Manitoba

From Our Own Correspondent

WINNIPEG.—A new commission to administer the provincial hydro-electric system is provided for in a government bill passed by the legislature. While up to the present there has been a commissioner in charge of the system he has been, in effect, an officer of the Government and responsiblity for all administrative decisions rested with the minister in charge. It is now planned to give the commission a considerable degree of independent responsibility.

Provision of $12,000 was made for the study of a possible power development on the Dauphin River. Although nothing definite has been heard from the British syndicate headed by Sir Reginald Brade, who have a priority permit for the development of a hydro-electric scheme at White Mud Falls on the Saskatchewan River, and who have been studying the possibilities of the site there during the past year, the Government do not anticipate that the syndicate is likely to proceed with the plan at the present time, partly on account of doubt as to profitable markets just now, and partly because the other scheme now in view might prove to be the more advantageous.

The Manitoba Hydro system came in for a great deal of discussion as the session of the legislature just closed, principally because of criticism by the opposition of the price paid by the Government, $1,200,000 for the Brandon plant acquired from the Canada Gas and Electric Company. Arbitration had resulted in an award $150,000 higher but the price was subsequently reduced by negotiation between the Government and the former owners.

Dominion Malting Shows 74 p.c. Increase in Sales

With business news from Western Canada tinged with blue at the present time the record of a Western company that is showing increases in its current business must be regarded as evidence that there's corn in Egypt yet.

Dominion Malting Company of Winnipeg, in the eight months ended March 31, 1931, showed total sales of 1,115,278 bushels of malt as compared with sales in the comparable eight months of the previous year of 639,491 bushels. The increase in sales amount to 74 per cent.

Dominion Malting Company operates at Transcona, Man., a modern malt house and it also operates a grain elevator of 1,300,000 bushels capacity, leased from the Canadian National Railways under a long term indenture. Product of the company is distillers' and brewers' malt and the market is chiefly among Canadian distilling corporations and brewers. Some export trade to the United States has been done during the past year due to favorable price differential and there is a small market for malt among manufacturers of dietary products.

A substantial outlet for Western barley is provided by the operations of the company at Winnipeg, a market that is particularly valuable because of the surplus of barley in the West. While most Canadian barley is quoted at prices below reasonable production costs, barley used for malting brings a higher return to the farmers. Only selected barley can be used and for this a premium running as high as 10 cents a bushel is paid over prevailing market quotations for the grain.

Dominion Malting Company is controlled by a group of Western grain men. E. W Kneeland is president, W. H. McWilliams is vice-president and J. P. Baggott is general manager.

Tax Larger Incomes New Manitoba Policy

From Our Own Correspondent

WINNIPEG.—Premier Bracken has had to face criticism in connection with the changes made in the provincial income tax act. This was amended to bring the Manitoba scale of payments, which had formerly been larger than the Dominion scale on more moderate incomes of married persons, and somewhat smaller on very large incomes, into line with the Dominion scale. The net effect is to reduce the actual payments to be made by the majority of income tax payers, and to increase the payments to be made by a minority. The change was accompanied by the abandonment of a provision, formerly in effect by which life insurance premiums paid were deducted from the amount of taxable income, although the provision is retained which deducts Dominion income tax paid from such income. Representatives of insurance companies and insurance agents protested in vain against the abandonment of this encouragement to thrift, and claimed an especial unfairness in respect to insurance policies which had been taken out while such relief was in effect, and in the expectation that it would be continued.

Under amendment to the Railway Taxation Act the taxes paid by the Canadian Pacific Railway in Manitoba are to be increased from $275,000 to $325,000, and on the Canadian National Railway from $175,000 to $275,000. The existing act provided for taxation on railway earnings within the province up to three per cent of the total, but owing to the difficulty of ascertaining such earnings the actual taxation of the railways had been arrived at by agreement from year to year, embodied in orders in council.

Experiment With Benzine

Experiments dealing with the manufacture of benzine from Turner Valley waste gas will be conducted during the coming season at Calgary by Dr. E. H. Boomer, of the University of Alberta in a specially constructed semi-commercial plant to be erected by the Government of Alberta.

DEBTS IN MANITOBA SUBJECT TO DELAY

Province Assumes Power to Interfere in Claims Against Debtors

From Our Own Correspondent

WINNIPEG.—In spite of representations from mortgage companies and other lending institutions to the effect that an adverse effect upon credit conditions in the province would result, Manitoba's "Act to Facilitate the Adjustment of Debts" has been placed on the statute books, and gives wide powers to the provincial commissioner. A debt adjustment commission was created by the province last year mainly for the benefit of farm debtors, but the commissioner was practically without powers except to bring together various creditors of a farmer and to get them to agree upon a division of such payments as he was able to make, or a postponement of the remedies in their hands. Under the Act as it has been passed the commissioner may make an order which will act as a stay of proceedings on any mortgage, chattel mortgage or any claim. At the same time the commissioner may issue orders which the debtor is bound to obey, under penalty. While the bill was originally planned for the assistance of farmers only, it was extended, at the instance of labor members of the house to apply to urban home owners. The benefit of the Act can not be invoked on contracts made after its passing, and certificates given under it will expire in 1932.

In mortgage circles the actual effects of the Act are not expected to be very great, and it is felt that there will be few cases where the commissioner would give relief that would not in any event have been extended by the creditor, especially in the case of lending institutions. Objections to the Act were made rather on the ground that such legislation tended to impair the confidence of investors and to make them hesitate to invest further within the province.

Organized Marketing for Coal

At a recent meeting of coal operators of the Province of Alberta, representing 47 per cent of the mines and 68 per cent of the tonnage of domestic coal, an organized marketing body was formed bearing the name of the Alberta Domestic Coal Operators' Association.

EDMONTON DAIRY PROFIT FOR YEAR SOMEWHAT LOWER

Surplus Sufficient to Offset Loss on Sale of Woodland Dairy

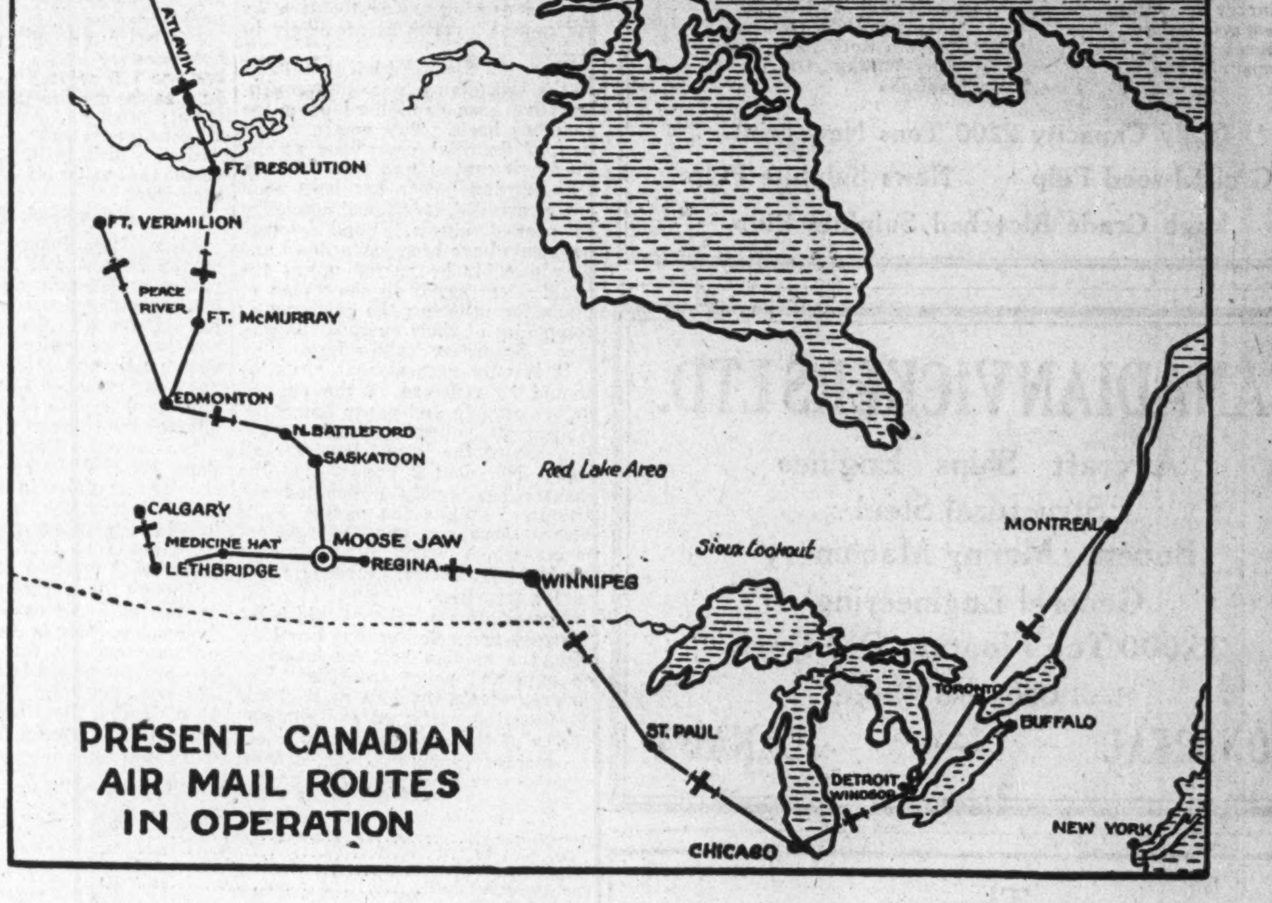
Income account of Edmonton City Dairy, balance sheet of which was recently reviewed in The Financial Post, shows the net profit to have been $79,629 for 1930, as compared with $87,265 for the preceding nine months. Thus, earnings were 1.42 times the dividends of $55,847 paid on 6½ per cent preferred stock. Excluding $6,500 transferred from contingent reserve, surplus earnings were equal to 79 cents a share on 30,000 no par value common shares.

It would appear from the income and surplus statement now made available that the accumulated surplus from earnings was almost enough to offset the capital loss of $79,941 on the sale of Woodland Dairy. The surplus was $48,547, which was brought to $78,830. The common shares, shown on the balance sheet at the amount of $256,628, were written down by $79,941 to $176,687. Adding the surplus, the balance sheet valuation of 30,000 common shares is shown at $255,517, or $8.52 a share.

CONSOLIDATED INCOME AND SURPLUS

	Dec. 31 1930 $	Mar. 31 1929 $
Net earnings	......	172,239
Interest charges	......	21,432
		150,807
Less: Depreciation	......	56,392
Income tax	......	7,150
Net profit	79,629	87,265
Trans. from reserve	6,500	......
	86,129	87,265
Less appropriations:		
Divs. & int. paid in lieu of divs.	......	31,431
Pref. div.	55,846	......
Com. shs. paid in	256,628	......
Less cap. loss, sale of Woodland Dairy	79,941	......
Surplus for year	206,970	55,834
Prev. surplus	48,547	......
	255,517	55,834

MOOSE JAW
Centre of Air-Mail Service in Western Canada



PRESENT CANADIAN AIR MAIL ROUTES IN OPERATION

DISCONTINUANCE of the air mail service of Canada is now being discussed. The above map illustrates the present operating air mail route of which Moose Jaw is the Western centre and divisional point.

To business men the value of an air mail service cannot be measured solely by the considerable saving in time effected on important mail between Eastern and Western Canada, which saving is twenty-one hours in the case of mail between Toronto or Montreal and the Western divisional point, Moose Jaw.

The present air mail service represents a further definite means of co-ordinating and linking the interests of East and West by more rapid communication. Its use has quickly developed. From 1926 to 1929 air mail carried in Canada increased over 10,000 percent, or from 3,960 pounds in 1926 to 430,636 pounds in 1929. It would not be surprising if the figure for 1930 exceeded 1,000,000 pounds.

In this development Moose Jaw has been active. The present important position which the city holds in Canadian aviation is due in large part to its fortunate geographical position, splendid flying fields and facilities, and the aggressive interest in air development taken by its citizens. These, whether present air mail service is temporarily discontinued or not, assure Moose Jaw a foremost position in future Canadian air transport development.

The facts are placed before Canadians at this time because Moose Jaw is particularly interested in the decision that will be arrived at in Ottawa and trusts that the important link of contact, supplied by an efficient Canadian air mail service, will be permitted to remain in operation, to advertise to the world Canada's forward vision and confidence in the future.

Published by
THE BOARD OF TRADE
Moose Jaw, Sask.

Canadian Mining News

HIGHER PROFIT FOR HOLLINGER IS POSSIBILITY

Earnings Depend on Extent of Use of High-grade Ore

NOT YET $7 MINE

Official News Needed to Determine Whether or Not Average Grade Better in Future

From Our Own Correspondent

TIMMINS.—Having increased the daily rate of the ore being sent to the mill, Hollinger Consolidated is securing profits which are substantially more than adequate for dividend requirements. There are those who anticipate profits equal to around 90 cents per share during the current year.

However, profits to be secured during the current year will depend upon the amount of low grade ore to be taken from the open cuts. The ore mined from these open cuts is considerably lower in grade than that taken from the underground workings—averaging around $5 to the ton. In order to offset the lower grade to be taken from the open cuts, the company is understood to be planning a further increase in the daily tonnage, to possibly 5,000 tons daily.

5,000 Tons Possible

Provided Hollinger could demonstrate the qualities of "a seven-dollar mine," and should it be possible to maintain an average of 5,000 tons daily, the enterprise might closely approach the earnings record established in 1927. During that year, however, the mill handled an average of over 6,000 tons daily.

The official statement that Hollinger is "a seven-dollar mine" has never been modified, officially, despite the fact that the average of the ore sent to the mill during the past few years has been around $6 to the ton. Consequently, there are those who are of the belief that Hollinger is preserving its higher grade ore for the future or until such time as the very low grade material has been exhausted.

Official Statement Needed

Although such a policy does not appear reasonable, should such prove to be the case, the time may come when Hollinger will be handling ore with an average of around $7 or $8 to the ton. The official estimates of the ore reserves show a large tonnage of $9 ore. With this and with the official statement to the effect that Hollinger is a seven-dollar mine in mind, the concern would appear to be facing a brighter future than the average grade evidenced during the past three or four years would indicate. If this is not the case, and, provided the mine is not living up to the statement that it is a seven-dollar mine, an official statement clarifying the situation would appear to be in line.

Although Hollinger Consolidated will continue to stand out as a gold producer of very great importance for many years to come, it is not to be expected that the concern will be able to keep pace with its rival, the Lake Shore Mines, at Kirkland Lake. Lake Shore is steadily working itself into a position which will permit an average output of $1,000,000 per month and will no doubt be able to maintain, if not better, that average over a long period of years. Hollinger should not be expected to average $1,000,000 per month for any very great length of time—even in event of that rate being reached occasionally.

Goldfield Con. Current Assets Are Adequate

The annual report of the Goldfield Consolidated Mines, which owns a controlling interest in the Base Metals Mining Corp., in which the Mining Corp. of Canada is interested, shows liquid assets as at Dec. 31, 1930, totalling $337,159 as compared with $540,591 the previous year. The company has no liabilities other than capital.

The book value of its investments in the Base Metals Mining Corp., and another subsidiary, the Goldfield Consolidated Mines Exploration Co., was placed at $2,704,085 as compared with $3,667,279 in 1929. Mining properties were carried at $28,432,325 with a depletion reserve of $5,959,444. Oil royalties are carried at $121,848. The deficit account is shown at $1,031,618. The company's only liability is for capital stock issued which represents 3,859,148 shares of $10 par value totalling $38,591,480.

FOOTHILLS OIL FOR FIRST TIME ISSUES REPORT

Cash and Investments Total $448,772; Has Two Producers

Annual meeting of the Foothills Oil & Gas Co. since its incorporation on March 21, 1927, will be held at the company's head office, Calgary, on April 18, according to the notice and annual report forwarded to its 1,114 shareholders. This is the first report made public by this Imperial Oil subsidiary.

The company has cash and investments of $448,772.

Income from the sale of oil and gas since the wells came into production, until Dec. 31, 1930, totalled $323,506. Of this, $301,372 was for crude oil and naphtha, while $22,134 was for gas.

Has Two Producers

The company has two producing wells in Turner Valley, No. 1, which was drilled at a cost of $200,030, came into production in October, 1928, at a depth of 5,914 ft. December production averaged 110 barrels of discolored naphtha and 6,700,000 cu. ft. of gas daily. No. 2, which was drilled at a cost of $163,619 came into production in August, 1929, from a depth of 4,710 ft. December production averaged 12.6 barrels of discolored crude naphtha and 2,500,000 cu. ft. of gas daily. No. 4 well was abandoned on geological advice at 4,559 ft. in April, 1929.

The company owns 1,690 acres in Turner Valley on which a ten per cent royalty is payable to the Hudson Bay Co. on the production of No. 1 well. No. 2 well is on Crown-granted land.

Through the ownership of 255,000 shares of the 500,006 outstanding shares, the company has a controlling interest in the Southwest Petroleum Co. Ltd., given in consideration of drilling the company's No. 1 well. A further 127,500 shares is to be issued upon completion of the second well.

Southwest No. 1 well blew in on June 11, 1930, from a total depth of 5,938 ft., and produced until December 31, last, 7,098 barrels of crude naphtha. No. 2 well is now drilling.

BALANCE SHEET AS AT DEC. 31, 1930	$
Assets	
Current	291,639
Investments	157,033
Leases & wells, less deprec.	1,399,013
Deferred	32
	1,847,717
Liabilities	
Current	350,625
Capital stock	1,462,005
Surplus	35,087
	1,847,717

Mining Stock Index Again Rises in Week

Weighted index number of 17 mining stocks computed by the Dominion Bureau of Statistics on the base of 1926=100, was 85.7 for the week ending April 9, as compared with 83.9 for the previous week.

Eleven gold stocks rose from 77.8 to 79.5. Gold copper stocks represented by Amulet and Noranda rose from 120.5 to 124.3. Four silver and miscellaneous stocks fell from 40.3 to 37.5.

Announcement

McLeod River Mining Corporation
LIMITED

OFFICIALS of this Company feel that, due to the recent wide fluctuations in the price of the shares of this Company on the market, shareholders should be advised that this is in no way a reflection of the activities in connection with the operations of the Company, but was purely a Market situation, brought about by circumstances over which they had no control.

Work at the property is proceeding as per schedule. The first dredge is now in course of assembly and should be in operation around the middle of May or early June. To date, over 15 cars of equipment and 11 cars of timber and other supplies have been shipped to the scene of operations. The treasury is well provided with funds and the completion of the Company's present program to production is assured.

Your Company has approximately 122 miles of valuable placer mining rights on the McLeod River—all potential pay-dirt—a large acreage of which is already proven. There is room for many dredges for many years.

It is the opinion of the directors that the present price of your shares is not a true indication of their worth.

E. R. READ,
President.
McLeod River Mining Corporation, Limited.

April 14, 1931.

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ELDORADO MINES REPORT SURVEYS GREAT BEAR FIND

Party at Great Bear Lake Determining Potential Possibilities

CASH STILL ADEQUATE

Federal Mines Branch to Send in Engineers to Report on the Property

Annual report of Eldorado Gold Mines for the year ended Dec. 31, 1930, shows a working capital of $256,736 as compared with $279,208 the previous year. The principal assets are made up of investments at cost, which, according to officials, have suffered but little depreciation.

Owns Many Claims

The capital expenditures account shows $16,618 was spent on prospecting and exploration of the company's Great Bear Lake properties, which are now the centre of interest. The strong financial position of the company indicates that it is adequately provided to carry its development programme to conclusion.

Charles LaBine, president of the company, states the company's holdings in the Great Bear Lake area now consist of 54 fifty-acre claims at LaBine Point, Echo Bay, the site of the pitchblende find, and 18 fifty-acre claims at Hunter Bay, 40 miles north of Echo Bay. In addition, the company owns 90 per cent interest in five additional claims.

The original holdings of the company, consisting of four claims, were staked at Hunter Bay in 1929 and last spring 14 additional claims were staked and an interest acquired in another five. It was while prospecting in this area during April and May, last year, that the pitchblende find was made.

The Mines Branch, Ottawa, has tested several samples of the ore, two of which weighed five and seven and one-half pounds, respectively. No. 1 sample assayed 144.51 milligrams of radium per ton of ore, and No. 2 sample assayed 162.39 milligrams per ton. Based on radium at $50,000 per gram, the gross value per ton indicated by the samples was $7,225 and $8,119, respectively. These picked samples were obtained from a shot which gave about 200 pounds of ore. Owing to the interest surrounding the find, the Mines Branch has agreed to send a party to the area this summer.

Management Optimistic

Gilbert LaBine, managing director of the company, has this to say as to the pitchblende:

"The veins in which the pitchblende occurs, along with the other ores, are continuous, and one in particular can be traced for a distance of at least 2,000 feet, varying in width from 5 ft. to 20 ft. The other vein, in which the pitchblende occurs, varies in width from 6 to 10 ft. and can be traced for a distance of 700 ft. Ore can be seen at both extreme outcroppings of this vein. Within the veins are outcroppings of solid pitchblende ore from 2 inches to 9 inches in width running with the vein and with a vertical dip. At one place an outcropping of this nature was uncovered for 50 ft. in length. On strike these veins have been covered by stakings for a distance of 10,500 ft. The above veins are parallel and are about 300 ft. apart, with heavy mineralization and gossan between.

"Due to the distance from railhead, it is my opinion, at the present time, only the pitchblende or radium-bearing ore of your property could be mined and treated at a profit. I believe you have and can ship a grade of ore that will run 40 per cent U3O8, from which 100 milligrams of radium per ton can be recovered, worth $7,000. Freight charges are now $400 a ton, but will no doubt be greatly reduced.

"Further, numerous veins have been found showing intensive mineralization on the LaBine Point group of claims, and one vein, showing a width of over 6 ft. gave assay results of 30 ozs. silver. A number of samples showed interesting gold values, and the pitchblende ore from your No. 1 vein assayed $18 in gold, in addition to the high radium content.

"From all available data, it would appear that your occurrences of pitchblende at LaBine Point are more regular and of greater extent than any other known occurrences. Development work planned for 1931 season should enable your directors to arrive at a definite policy for the future development of this important discovery."

Balance Sheet as at Dec. 31

	1930	1929
Assets	$	$
Current:		
Cash	11,274	3,748
Invest. at cost	252,432	257,731
Accts. receivable	2,247	943
Accrued interest	6	2,347
Inventories	5,250	16,380
	271,203	281,149
Deferred chgs.	84	....
Capital expend.:		
Mining claims	1,507,000	1,507,275
Bldgs. & equip.	38,621	46,557
Devel. & explor.:		
Long Lake	162,886	164,573
Great Bear Lake	16,618	....
Other	5,667	....
Stock dis. & comm.	567,684	550,094
Adminis. & gen. exp.	6,894	6,894
	2,576,657	2,546,542
Liabilities		
Current:		
Accts. payable	467	1,941
Loan	14,000	....
Capital stock:		
Common	2,556,646	2,515,552
Paid on shs. allotted	5,644	29,049
	2,576,657	2,546,542
Working Capital		
Current assets	271,203	281,149
Current liabs.	14,467	1,941
Working capital	256,736	279,208

ONTARIO GOLD'S MARCH OUTPUT IS 1931 RECORD

Peak Month of December Not Yet Exceeded By Mines

Total value of the crude gold bullion from the gold mines of Ontario for March, as reported to the Ontario Department of Mines, showed an increase above the totals for January and February, but did not reach the record month of December, 1930, when $3,576,653 was produced. The total was $3,402,238. The figures show a slight recession from the February value at the Porcupine camp, which was more than offset by the continued rise in production from the Kirkland Lake Area.

During the period the Porcupine United Gold Mines, Ltd., closed its mill after operating for five days only.

During March producing mines in order of output, by camps, were as follows:

Porcupine (7) Hollinger, McIntyre, Dome, Vipond, Coniaurum, March, and Porcupine United.

Kirkland Lake (6) Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite, Kirkland Lake Gold, and Barry-Hollinger.

Northwestern Ontario (1) Howey.

The standing of the mines in order of values recovered remained unchanged, with the exception of the Howey which moved up slightly.

Individual mines in order of greatest output were Hollinger, Lake Shore, Teck-Hughes, McIntyre, Dome, Wright-Hargreaves, Sylvanite, Howey, Vipond, Coniaurum, Kirkland Lake Gold, Barry-Hollinger, March, Porcupine United.

Monthly Output of Ontario Gold Mines

Source and Period	Total Value 1931 $	Total Value 1930 $
Porcupine		
Calendar year 1930	....	17,822,365
Average per month	....	1,485,197
January	1,572,678	1,460,600
February	1,608,239	1,313,661
March	1,580,468	1,464,947
Kirkland Lake		
Calendar year 1930	....	17,231,709
Average per month	....	1,435,976
January	1,649,436	1,281,888
February	1,564,538	1,296,246
March	1,760,088	1,487,216
Total for calendar year	....	35,518,862
Average per month	....	2,959,905
January	3,289,032	2,742,488
February	3,228,222	2,609,907
March	3,402,238	2,952,163

*Includes Northwestern Ontario.

SISCOE OUTPUT IS UP IN MARCH, AVERAGE $10.74

Enlarged Mill in Month Treats 149 Tons Daily

March production of gold from the Siscoe Gold Mines, reflected the increased milling capacity completed in February. Recovery totalled $49,739 from 4,628 tons of ore treated. This is an average recovery of $10.74 per ton, while the daily average milling rate was 149 tons. February output was about 100 tons daily.

Officials state that 75 per cent of the March production came from the western ore zone on the 300-ft. level.

In addition to the stopes already started on this level, there has recently been developed an additional 210 ft. of ore to the north. With an allowance for dilution this ore should average $15 per ton for a width of 5 ft., as the drift is still in ore above average grade.

Crosscutting is now proceeding from the 150-ft. level again to intersect the western zone and drifting is proceeding on the 450-ft. level. Raises have been started from both the 300 and 450-ft. levels, while shaft-sinking is about to commence and a new level will be established at 600 ft.

The board of directors following the recent changes, are as follows: J. T. Tebbutt, president; W. A. Fensome, vice-president; John Knox; Thayer Lindsley; G. N. Coyle; G. H. Robert; E. C. Ford; T. H. Higginson and S. E. Siscoe. H. E. Green is secretary-treasurer of the company, and J. M. Forbes is general manager.

Grain Elevators in Canada

There are now a total of 5,700 grain storage elevators in Canada, with a combined capacity of nearly 400,000,000 bushels.

Say Petrol Oil Output Much Higher

Shareholders of the Petrol Oil & Gas Co. are advised that sales for the first three months of the current fiscal year were about 26,000,000 cu. ft. of gas, as compared with about 24,500,000 cu. ft. during the entire year of 1930. While sales during the summer will be lower, the company expects that the year's gas output will be several times that of 1930.

The 45th well of the company was brought in on April 8, with an initial potential production of about 41,000 cu. ft. of gas per day. Altogether 28 producing wells are now connected to the pipe line, while another five producers have not yet been connected.

Mining Corp. to Direct Work on Hincks Claims

Hincks Matachewan Gold Syndicate, recently formed with 5,000 units of no par value of $10 each, has acquired 720 acres in Hincks township, Matachewan area, Ontario, about 2½ miles northwest of the Ashley-Garvey property of the Mining Corp., of Canada. Mining Corp. will direct the development operations of the company in consideration of receiving 250 units in the syndicate, also an option on shares in a company to be formed to take over the syndicate at a later date.

The company is to have a capitalization of 2,500,000 shares and syndicate holders are entitled to 200 shares in the new company for each $10 unit held. Mining Corp's option entitles it to take up 1,000,000 shares at 25 cents each and an additional 500,000 shares at $1 each. Huronian Mining & Finance has an option on one-third interest in the Mining Corp. option, if and when exercised.

Plans are being made to commence exploration next month.

Hilltop Gold Mines Acquire New Property

Directors of Hilltop Gold Mines have announced the company has purchased a 90 per cent interest in 13 mining claims in Argyle township, Matachewan district, Ontario, which the company proposes to examine this summer.

Hilltop was incorporated in 1926 to develop a gold property, consisting of 480 acres in Catherine township, Boston Creek district, Ontario. The company has been inactive at this property for many months. Results have been only moderately encouraging.

The company has an authorized capitalization of $5,000,000 in $1 par value shares of which 3,921,905 are outstanding.

Smelters Output Up For First Quarter

Quarterly production figures of the Consolidated Mining & Smelting Co. for the period ended March 31, 1931, shows a considerable increase in the production of gold and silver, over the previous quarterly period.

The annual report of the company is expected to make its appearance at an early date, and according to officials will show the dividend and bonus practically earned before making allowance for depletion and depreciation.

A comparison of the last quarterly production with the quarter ended December 31 and the whole of 1930, is as follows:

	Production 1st quar. 1931	4th quar. 1930	Total 1930
Lead, tons	38,773	37,202	149,489
Zinc, tons	27,949	33,591	119,550
Copper, tons	157	513	7,064
Gold, oz.	7,234	7,995	25,782
Silver, oz.	1,930,575	1,626,727	6,936,759

O'Brien Mines Sends Crusher to Cadillac

From Our Own Correspondent

AMOS.—Although the officials of the O'Brien Mines continue reticent regarding results obtaining and in connection with plans for production on that company's property in Cadillac township, definite information secured by The Financial Post correspondent is that a crusher, with a capacity of 200-300 tons daily, is being rushed to the property, ahead of the forthcoming break-up.

The O'Brien has been working along quietly on its Cadillac gold property, but it is known that results obtaining have been favorable—since the underground development programme was started. The shaft is now being driven to the 500-ft. horizon (first objective) while the work now under way at the 300-ft. level is understood to be yielding satisfactory results.

GRANBY PROFIT TOTALS $1,741,347 FOR LAST YEAR

After Depletion, Etc., Deficit is Increased By $482,624

Report of the Granby Consolidated Mining, Smelting & Power Co. for the year ended December 31, 1930, shows earnings of $1,741,347 before depreciation, taxes and depletion, as compared with $4,756,083 the previous year. After write-offs there is a net loss of $482,624 as compared with net profit the previous year of $2,021,412. The following is a comparison of the income accounts for the past two years:

Income and Surplus Account Years Ended Dec. 31

	1930 $	1929 $
Operating income	7,397,336	11,828,725
Less: Operating exp.	5,892,104	7,490,774
Net oper. earn.	1,505,231	4,337,951
Add: Other income	236,116	418,132
Total net earnings	1,741,347	4,756,083
Less: Admin. exp., taxes, etc.	265,063	576,988
Depreciation	1,351,470	1,372,599
Depletion	607,438	785,084
Net profit (surplus)	*482,624	2,021,412
Add: Previous deficit	1,229,245	3,250,657
Deficit carried forward	1,711,869	1,229,245
*Deficit.		
Earnings per Share:		
Before depr. & depl.	$3.28	$9.29
After depr. & depl.	Nil	4.49
Paid in ret. of cap. per share	5.25	7.00

The earnings per share before depletion, taxes and depreciation, are equivalent to $3.28 on each of the 450,000 shares of $100 par value issued. This compares with $9.29 per share in 1929. The company has paid no dividends since May 1, 1919, but during the past three years has made a capital distribution to shareholders out of a reserve fund for depletion and depreciation. In 1930, the capital distribution to shareholders amounted to $2,362,341, or $5.25 per share, as compared with $7 per share paid in 1929.

Liquid Position Good

The company enjoys a strong liquid position, current assets exceeding current liabilities by $5,440,201, as compared with $6,433,877 the previous year. The current assets are made up of $579,056 in securities, $3,160,542 in cash and call loans, $2,047,235 in inventories, and $140,403 in accounts receivable.

Charles Hayden, chairman of the board, commented on the operations of the company as follows:

"The average cost per pound of refined copper produced after allowing credit for precious metals and miscellaneous income, but exclusive of depreciation, depletion and income taxes, was 9.79 cents per pound as compared with 10.61 cents per pound in 1929. Operations were carried on continuously throughout 1930 at Anyox, B.C., the ore mined amounting to 1,512,911 tons, including that produced from the Bonanza property. At Allenby, B.C., before suspension of operations on November 15, 1930, production totalled 699,534 tons, giving the company a total production of 2,212,445 tons.

"Intensive exploration development work carried out at the Hidden Creek mine at Anyox endeavored to extend the known ore body, and while a limited amount of ore has been developed no new ore bodies of any consequence have been found. At the Copper Mountain mine at Allenby, exploration and development work carried along, consistent with operations, increased the ore reserve about 4,000,000 tons greater than when operations were started in 1925.

Ore reserves at the end of 1930 were as follows:

	Dec. 31 1929 Tons	Dec. 31 1930 Tons
Anyox—Hidden Creek mine	5,159,770	4,309,830
Anyox—Bonanza mine	466,800	406,250
Allenby—Copper Mountain mine	8,715,400	9,885,069
Total	14,341,970	14,601,149

TURNER VAL. OUTPUT DECLINES IN MARCH

Total production from the Turner Valley oil wells, as reported by deliveries to the refineries, amounted to 128,975 barrels in March as compared with 132,267 barrels in February.

Total deliveries to the Imperial Refinery were 116,150 barrels and to the Regal Refinery, 12,825 barrels.

Reports state production in March was influenced somewhat by the government's experiments in shutting-in to test rock pressures, which involved delays in several areas.

Crude naphtha	39,785	38,955
Imperial	March	Feb.
Discolored crude naphtha	69,714	61,681
Crude oil	6,651	6,068
	116,150	106,704
Regal	12,825	25,563
Total	128,975	132,267

TO REORGANIZE ABANA COMPANY AND ISSUE BONDS

Creditors Agree to Accept Bonds For Major Part of Indebtedness

Shareholders of Abana Mines are notified of a special general meeting to be held in Montreal on April 28, 1931, to ratify a plan of reorganization which, if successful, will mean the return of the title of the property to the company and provide funds for further operations.

The present company will be sold to a new company having a capitalization of $6,000,000 in $1 par value shares and an authorized issue of $500,000, 7 per cent five-year convertible debenture bonds, redeemable at any time on 30 days notice.

Get Share for Share

Shares in the old company will be changed for shares in the new company on a share-for-share basis. Only $350,000 of the bonds will be issued at first. The bonds will be procurable in varying denominations and will carry a bonus of 100 common shares for each $100 of bonds. They will be convertible at the holders' option into common stock at 25 cents per share (400 shares per $100 bond) during the first year; 50 cents per share (200 shares per $100 bond) during the second year; 75 cents per share (133 shares per $100 bond) during the third year; $1 per share (100 shares per $100 bond) during the fourth year, and $2 per share (50 shares per $100 bond) during the fifth year.

Mining Corp. of Canada, the company's largest creditor, is willing to take $100,000 of the bonds in part payment of the amount owing them, providing an additional $250,000 is subscribed.

F. M. Connell and associates, the company's second largest creditors, are willing to take cash or bonds for the amount owing them.

Shareholders are being asked to subscribe to the bonds in order to raise further finances and also in order to make it possible to pay in bonds, $100,000 of the amount owing to Mining Corp. of Canada.

Trail Ore Receipts

Following is a statement of ore received at the Trail Smelter, for the period April 1st to 7th, 1931, inclusive:

Name of Mines	Locality	Tons
Catherine	Nelson	8
Ruth	Sandon	44
Silversmith	Sandon	24
Total		76
Total Company		10,312
Grand Total		10,388

SUDBURY CONTACT LIQUID ASSETS $72,201

Company Awaiting Developments on Adjacent Properties

Annual report of Sudbury Contact Mines, now going forward to shareholders, calling the annual meeting for April 25, shows the company as having $72,201 in working capital.

Current assets total $72,468, including cash, call loans and investments. Current liabilities amount to $267. The market value of the company's investments are reported as being approximately the same as the book value.

The company owns a lead-zinc-copper property, consisting of 33 claims in two groups, in Fairbank township, Sudbury district, Ontario, which has not been actively prospected since the last report, except for necessary assessment work. The assessment work on 27 claims has been completed.

The policy of the directors is to await developments on the adjacent properties of the Treadwell Yukon and Sudbury Basin, and, in the meantime, all the claims will be patented.

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STAMP PROBE SHOWS SPEED; HEDGES AIRED

Government Marketing and Price Control Asked by West

From Our Own Correspondent

WINNIPEG.—The celerity and ability already shown by Sir Josiah Stamp in his conduct of the enquiry now in progress into the effects of grain futures trading have disarmed criticism, which was based on the short time allowed in this country for his investigation. He has evidently acquired a large background of knowledge of the situation before commencing the enquiry, and his two colleagues are well informed, W. Sanford Evans from long connection with the trade, and Chief Justice Brown of Saskatchewan, because of the enquiry which he conducted last year into certain phases of the market.

The method followed has been for counsel for the Grain Exchange to bring before the commission representatives of different aspects of the grain business who testified as to the use they made of the futures market or their activities thereon. Grain merchants testified to the necessity of hedging in the conduct of their business, and bankers to the fact that they required their grain customers, with the exception of the wheat pool, to hedge grain on which money was borrowed. Testimony was to the effect that the hedging system allowed grain to be handled on a very small margin, and tended to give better returns to farmers.

The avoidance of duplicate testimony enabled ground to be covered rapidly. Sir Josiah directed many questions to the subect of speculative activity on both sides of the market, and the sources and effect of speculation. While the answers brought out the difficulty of distinguishing purely speculative from hedging transactions opinions were expressed that the principal volume of speculation was on the long side, tending to balance hedging sales; that speculators, although they perform a useful function in the market, do not as a rule find their operations profitable, and that, although the daily volume of trading in futures may be large, due to spreading and other more or less technical operations tending to keep various markets in line with each other, the total open volume of trades on the Winnipeg market is always considerably less than the volume of actual grain in sight.

Mention of the wheat pool so far in the enquiry has been only incidental. The impression was felt that there will be no public enquiry by the commission into wheat pool theories or management, but that the commission nevertheless intends to obtain information as to the relations to the futures market, and the comparative advantages of a system which avoids hedging methods with that which employs it.

From Our Own Correspondent

OTTAWA.—Will the prairie wheat pools survive the present year?

Grave doubt, on this point, exists not only among the foes of the pools, but among their friends. Representatives of the three prairie provinces while in Ottawa last week canvassed the wheat situation thoroughly and made a proposal of far reaching importance to Rt. Hon. R. B. Bennett. They proposed that Mr. Bennett, at this session, introduce legislation creating a Canadian wheat board, similar to that of 1919, to take over and handle the wheat crop of 1931 and succeeding years. Only in this way, they believe, can western farmers obtain a price which will enable them to continue on their land.

There has been, apparently, a great deal of thought given to the wheat problem in the West, and western politicians seem to feel that a government pegged price is essential. The idea behind the wheat board proposal is that the Government should declare that all farmers will receive an initial payment of 55 cents per bushel, Fort William, and that if there is any loss on this price basis, the treasury will make it good. If, on the other hand, there is a surplus after the wheat is sold, further payments to farmers would be made. This proposal, of course, has the weakness of being loaded in favor of the farmer. But western government representatives believe that nothing less than 55 cents will suffice to keep agriculture alive on the prairies, and the alternative would be prairie bankruptcy, debt repudiation, moratoriums and so on.

If the pools are left to meet conditions as best they can and continue to refuse to "hedge" their operations, it is believed the banks will decline credit unless the Federal government will guarantee them against loss. But on the guarantee given by Mr. Bennett last December, it is clear there will be a serious loss to the treasury, although the amount cannot be calculated until the wheat has been sold.

Toronto Elevators Did Well in Half Year

Toronto Elevators, in the six months ending March 31, 1931, earned preferred requirements for the period twice over, after deducting depreciation.

G. C. Leitch, managing director, states in a letter to shareholders that the financial position of the company has been improved since the end of the fiscal year on September 30, 1930. Net current assets have been improved by reducing bank loans and amounts owing on grain purchases. These were achieved by reducing inventories, accounts and bills receivable and receivables on cash grain for future delivery.

SECOND C. G. I. T. SHOWS EARNINGS $1.64 PER SHARE

Marketable Securities Subject to $1,621,107 Depreciation

Second Canadian General Investments Ltd. reports net income for 1931 at $480,528 as compared with $725,099 reported by the predecessor company, Second Canadian General Investment Trust Ltd., in the ten months ended December 31, 1929. Cash income of $425,533 compares with $324,390 in the 1929 period but profit on sale of investments dropped to $156,444 from $609,664.

Depreciation in the value of marketable securities, at December 31, 1930, is reported at $1,621,107, of which $156,444 was provided for from income of the trust by setting up a reserve for depreciation.

In addition there is an unstated depreciation in the value of non-marketable investments. Depreciation is based on price at which securities were taken over. In 1929, depreciation was $1,707,769.

During 1930, the trust earned $1.64 per share on paid-up capital averaging 296,136 shares of no par value. On the basis of the former capitalization, earnings were at the rate of $6.49 per share as against actual earnings of $10.43 per share in the ten-month period of 1929.

The profit and loss account of the present company for 1930 and that of its predecessor for 10 months in 1929 are as follows:

	Jan. 1 to Dec. 31, 1930	Mar. 1 to Dec. 31, 1929
	$	$
Cash Income:		
Interest on investments	91,841	76,032
Dividends received	302,830	245,850
Sundry interest	30,652	44
Exchange	210	2,464
	425,533	324,390
Profit on sale of investments	156,444	609,664
Total income	581,977	984,054
Less:		
Interest paid on loans	64,574	129,729
Management fee	35,608	47,684
Miscellaneous	1,266	*31,542
Net income	480,528	725,099
Less:		
Dividends	229,232	149,850
Res. for taxes	12,000	......
Res. for deprec. in market value of securities	156,444	250,000
Underwriitng exp. written off	......	321,179
Nominal surplus	82,852	4,070
Surplus forward	......	202,974
†Nominal surplus	82,852	207,044

*Including provision for government taxes.

†Subject to depreciation in value of investments.

I. P. & P. DEFICIT FOR PAST PERIOD AT LOWER FIGURE

Net Earnings Reduced But Net Profits Slightly Higher

From Our Own Correspondent

MONTREAL. — International Paper & Power Co. reports a deficit for 1930 of $3,496,513, after taking care of all charges, as compared with a deficit of $4,822,749 in the preceding year. The complete report is not available as yet, these figures being an official release by the company.

The 1930 financial statement shows consolidated earnings, after deducting all interest and other charges senior to dividends on the preferred shares of the company but before deducting depreciation, amounted to $12,695,668. Total dividend payments on the shares of the company amounted to $7,703,037 leaving a balance before depreciation of $4,992,630. Depreciation charges—the rate of which was reduced as of July 1, 1930,—amounted to $8,489,143, resulting in a deficit for the year of $3,496,513.

Consolidated earnings before depreciation of $12,695,668 for 1930 are slightly less than the $13,151,264 shown on the same basis in 1929.

Consequent upon the reduction in the rate of depreciation, consolidated earnings after depreciation were slightly higher than in 1929, standing at $4,206,524 as against $4,011,762.

Realize Power Earnings

Expected growth and earnings from the company's Canadian power developments was realized substantially in full and the anticipated increase in efficiency of paper mill operation was surpassed, but the increase in income resulting from these factors were off-set by the adverse effect of the depression on the volume of the company's business and on the prices of pulp and of most grades of paper.

Following is a summarized statement of earnings for 1930 and 1929:

	1930	1929
Earnings available for depreciation and dividends on I. P. & P. Co. stocks	$12,695,668	$13,151,264
Earnings after depreciation available for dividends on I. P. & P. Co. stocks	4,206,524	4,011,762

Recent Months Better

Though earnings during the first nine months of the year were not sufficient to cover the preferred dividend payments plus the amount set aside on the books for depreciation, net earnings for the last quarter of the year showed a marked increase.

Toronto Gets Money At Record Low Cost

Sale by the city of Toronto of $10,084,000 4½ per cent serial debentures, having an average maturity of 12.2 years, on a cost basis of 4.457 per cent provides the cheapest money that the city has been able to borrow for two decades. On February 24, the city secured $4,836,000 on a cost basis of 4.579 per cent, a record low price which has now been still further lowered.

The successful bid of 100.3595 was entered by an international syndicate comprised of Bancamerica-Blair Corp., Halsey-Stuart & Co., First Union Trust & Savings Bank, Kountze Bros., Guardian Detroit Co., R. A. Daly & Co., Bank of Nova Scotia, Matthews & Co., Marine Trust Co., Dominion Bank, W. C. Pitfield & Co., Fleming, Denton & Co., and Wells, Dickie & Co.

Dominion Securities Has New Office

Head office of Dominion Securities Corp. is now located at 15 King St., West, Toronto, the former head office of the Standard Bank of Canada. The new office was opened on April 11 and is adjacent to the new head office building of the Canadian Bank of Commerce and within a short distance of the proposed new head office building of the Bank of Nova Scotia.

NATIONAL LINES REPORT DEFICIT FOR PAST YEAR

Chalk Up Loss of $61,287,201 After All Charges

From Our Own Correspondent

MONTREAL.—Canadian National Railways System reports a net operating revenue of $26,510,937 for the 12 months ended December 31, 1930. This compares with $46,818,025 during the preceding 12 months, a decrease of $20,307,087.

Gross revenue for the past year amounted to $221,770,445, a decline of $46,223,052 from the preceding year.

In order to offset the falling off in revenue, steps were taken to meet the situation, resulting in a reduction in working expenses from $221,175,471 to $195,259,507.

Examination of the operating expenses shows that $39,777,566 was spent on maintenance of way and structure; $43,091,329 on maintenance of equipment. During the year, the system paid out in wages $159,675,111, which was more than 54 per cent of the operating ratio as divided between labor, fuel and other expenses. In comparison with operating expenses in the preceding year, the outlay on maintenance of way and structure was reduced by $8,658,551 or 17.88 per cent; maintenance of equipment expenses were reduced by $6,436,522 or 12.9 per cent.

The year's operation produced $23,958,305 applicable toward paying the interest due the public on securities held and other interest charges. The interest due the public on funded debt was $50,921,422 and interest on unfunded debt amounted to $2,257,622, so that the deficit after meeting all charges to the public was $29,219,739.

The accrued interest on government advances was $32,067,462, producing a total deficit of $61,287,201 and further increasing the profit and loss balance deficit to $579,755,822, which compares with $513,294,187 at the end of 1929.

Turning to the consolidated balance sheet, as at December 31, 1930, assets are shown as having a total value of $2,344,697,737. This compares with $2,333,878,919 at the end of the preceding year. Current assets are shown at $80,055,955, and current liabilities at $98,122,820, leaving a working capital deficit of approximately $18,000,000. At the end of 1929 the system had current assets of $129,351,350 as against current liabilities of $92,701,349, leaving a net working capital of nearly $37,000,000.

Property Value Greater

Analysis of the balance sheet shows the investment in road and equipment at $2,111,519,813, up from $2,038,398,432 at the end of 1929.

Investments Show Change

Investments in affiliated companies have declined from $46,241,000 to $26,723,000. This sharp decline is due to the elimination of the company's holdings in the Central Vermont Railways, which in the 1929 report were carried at $22,000,000.

The drop of current assets from $129,351,000 to $80,055,000 was primarily due to the decline in special deposits and the elimination of a special deposit of $39,847,000 with the Minister of Finance.

Capital Stock Unchanged

Among liabilities of the Canadian National Railway system, capital stock held by the Dominion Government and the public are shown at approximately the same figure, namely, $270,231,000

Funded Debt Higher

The long-term unmatured funded debt has advanced from $1,122,559,492 to $1,168,565,862.

The Dominion of Canada account at the end of 1930 totalled $1,330,006,075, sub-divided as follows: Loans from the Dominion, $604,406,239, interest accrued but unpaid $322,155,901 and appropriations for Canadian Government railways $403,443,934. The corresponding items at the end of 1929 were: Loans from the Dominion $601,446,082; interest accrued but unpaid $290,088,439; appropriations account Canadian Government railways, $417,150,140.

Ottawa Loans Heavier

The advance in current liabilities from $92,701,000 to $98,122,000 is largely accounted for by the increase in loans and bills payable to the Minister of Finance from $32,601,000 to $46,660,000

The corporate deficit, after taking into account various sundry credits, amounted to $575,181,123 at the end of 1930, as compared with $508,942,845 on the same date a year ago.

Thornton Reviews Position

In his report to the Minister of Railways and Canals, Sir Henry W. Thornton, chairman and president of the system, commented upon economic conditions affecting the revenues of the railway during 1930. He stated that the operation of the new six-hour train between Montreal and Toronto had been distinctly profitable, while the banana traffic from the West Indies, handled from the Canadian National steamships through Halifax and Montreal, had increased from 1,307 cars in 1929 to 2,198 cars in 1930.

Steamship Line Losses

The total book loss for the year in the operation of the Canadian National (West Indies) Steamships amounted to $1,362,658, according to the report. The loss exceeded that of the year 1929, when it was $1,117,896.

Operating reevnue increased $460,010, and operating expenses rose $535,306. The operating loss for the year was $523,136 as against $447,841 for 1929.

The operating revenue of the Canadian Government Merchant Marine for 1930 amounted to $5,164,903.11 as against $8,371,441.23 in 1929, according to the report.

Operating expenses for the year were decreased $3,251,234.44; and the loss from operation was $834,210.89, or about $50,000 less than the 1929 operating loss.

The falling off in revenue was attributed in the annual report to general depressed trade conditions and cancellation of London-Antwerp, Cardiff-Swansea services in 1929.

Abitibi Canyon Water Now Flows in Tunnels

Work at the Abitibi Canyon project of Ontario Power Service Corp., subsidiary of Abitibi Power & Paper Co., is proceeding at a rapid rate. The company has completed the tunnels and water of the Abitibi River is now running through the tunnels and being poured back into the river channel below the site of the construction project.

This work was completed just in time as first spring freshets are now coming through the canyon. In the construction of the coffer dam only 40 feet of the river remains unclosed. The work can now proceed in spite of the seasonal floods because of the timely completion of the tunnels.

"CHECO" REPORTS WIDE INCREASE IN 1930 PROFITS

From Our Own Correspondent

MONTREAL.—Canadian Hydro-Electric Corp., one of the major divisions of International Hydro-Electric System which in turn is controlled by International Pulp and Paper Co., reports consolidated gross income in 1930 of $8,515,409. This compares with $6,855,778 in 1929.

Net earnings available, after interest and depreciation, for preferred dividends of Canadian Hydro-Electric amounted to $1,924,931, as compared with $991,882 in 1929.

Report Larger Surplus

After payment of the preferred dividends of $750,000, there was left as a balance for the equity stocks held by International Hydro-Electric System the sum of $1,174,931 in 1930 as compared with $241,882 in 1929.

Further particulars of the income account and balance sheet position of the company will not be available until the publication of the full report, which will take place toward the end of this week.

Increasing Your Capital

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Such an opportunity may not occur again for many years.

Now is the time to build up your estate by buying carefully selected investment securities to hold for appreciation.

The Financial Post has just published a new book on the fundamentals of investing money. The title of the book is "How to Invest for Profit." It discusses stocks and bonds—how they can be judged and how they should be bought—how to deal with brokers, etc. It covers the problems of different types of investors. As well it contains a compendium of financial and investment terms, table of stock yields, bond interest rates, stock exchange commission rates, etc. It is a valuable book for every investor to have.

"How to Invest for Profit" sets out clearly and simply the proven principles of investing.

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TURKISH BATHS . . .
This is a treatment well known for its cleansing and reducing qualities.

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A treatment for enlarged hearts and also for certain conditions of heart muscle trouble.

INFRA RED RAYS . . .
Used for lumbago and where heavy penetrating heat rays are required.

SULPHUR, PINE, Etc., BATHS . . .
Used for rheumatism, bronchial and other similar ailments.

SCOTCH DOUCHE . . .
Hydropathic used in cases where stimulation of the nervous and muscular system is indicate.

ELECTRIC BLANKET . . .
Method of producing profuse perspiration — is greatly used for alleviation of colds, etc., and rheumatic pains.

ELECTRIC CABINET . . .
Used when patients cannot stand the Hot and Steam rooms of the Turkish Baths.

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Used for the treatment of rickets and for the after effects of Infantile Paralysis—also as a general tonic for debility. The use of the Lucadescent in conjunction with Ultra Violet increases the efficiency of the former at least 50%.

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A method of driving iodine and similar chemicals into various parts of the body, by means of galvanic current.

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HOTEL DEPARTMENT

Featuring Ottawa

THIRD SECTION **THE FINANCIAL POST** *THIRD SECTION*

Vol. XXIV 10c a Copy; $5.00 a Year PUBLICATION OFFICE: TORONTO, APRIL 16, 1931 Member of Audit Bureau of Circulations No. 16

DOMINION'S CAPITAL, FAMED FOR BEAUTY, THRIVES IN INDUSTRY

Ottawa, Capital City Holds Rightful Title As Pulse of Nation

Politics, Pageantry and Business Blended Into Atmosphere

HAS FAMOUS HISTORY

Visitor to City Gains Clear View of Canada in National Perspective

Ottawa has that indefinable fascination inseparable from any city which is the seat of government.

It is impossible to analyze this mysterious atmosphere, nevertheless, the visitor to the capital city is immediately enveloped by an almost tangible web of attraction. There is in the air the same feeling that is sensed in London, Washington or Paris.

Pulse of The Nation

Underneath the ordinary life of a modern city, there is a steady throb of political activity, the throb of the pulse of a nation. From Ottawa, one is able to see the whole Dominion in its proper perspective.

All the threads of business and politics throughout Canada are collected and woven into a clear tapestry in Ottawa. It is the official residence of the governor-general, representatives of His Majesty, the King, and here one may witness all the tradition, pomp, ceremony connected with parliamentary procedure and the brilliant social life of Government House and official circles.

National Aspect Revealed

Here too, are the United States Embassy, and the homes of consuls and ambassadors from all parts of the world. The whole national aspect of the Dominion is focussed clearly and reduced to terms which can be readily envisioned.

Ottawa has grown with Canada. The city itself is worthy of the place it holds as the seat of government. Physically, it stands alone in dignity and beauty.

Had Modest Beginnings

Growing from a small lumber village, the history of the city is fraught with romance. Many famous names are associated with Ottawa both industrially as well as politically, for the mighty timber reserves in nearby territory have yielded many millions of dollars to those who pioneered in the district in the past.

Years ago Ottawa was one of the greatest lumbering centres in Canada. Down the Ottawa River were floated rafts of timber on their way to Montreal, Quebec, and foreign markets.

Then came the development of hydro-electric energy and the mighty Chaudiere Falls were harnessed to provide abundance of power. Pulp and paper mills sprang up while dominating all there was built on Parliament Hill, one of the finest structures on the continent, the Canadian Houses of Parliament.

Champlain First Prospector

It was in 1613 that Champlain, the founder of Quebec, paddled up the unknown reaches of the Ottawa River from Montreal, and paused at the great falls of the Chaudiere below the cliffs on which now stands the Canadian Houses of Parliament. He was the first white man to view the gorgeous panorama of hills, rivers and valleys by which the City of Ottawa is surrounded.

But Champlain went on his way and it is not until centuries afterward that Ottawa again enters the historic picture. In 1827, the British Government, acting on the advice of the Duke of Wellington, decided to construct a waterway from Lake Ontario to the interior to provide means of military transport to the frontier in the event of war with the United States.

By Built Rideau Canal

Accordingly, the Rideau Canal, which is still in an excellent state of repair, was begun by a company of British sappers and miners, under command of Colonel John By. This individual was the real founder of Bytown, now Ottawa, as before that time the place was but a lumber village.

With the advent of the troops, Bytown became a place of considerable importance. Within a few years it had a population of several thousands, and when the canal was completed in 1831, Bytown was firmly established.

The Rideau Canal had its terminus at Kingston, but the great natural resources possessed by Ottawa enabled that city to make rapid progress. It was in the centre of the great lumber country. It possessed unlimited water powers and was within easy distance of Montreal. Moreover, it was adjacent to the fertile Ottawa Valley, which was then being developed.

Capital Chosen in 1859

It was not until 1859 that the town was chosen by Queen Victoria as the seat of government. At that time the population was around 20,000 and the city was the centre of a thriving activity.

The history of Ottawa since Confederation is identified with the political history of Canada. Here all the great legislative measures of the past 60 years have been formulated and here all the effects of the tidal wave of public opinion have been felt.

More Than Political Centre

But Ottawa is more than a political centre. Scenically, the capital is one of the most beautiful cities on the continent. Industrially and commercially, the capital has made vast strides during the past 25 years.

Today, the population totals al-

(Continued on page 27)

Ottawa's Civic Head

MAYOR J. J. ALLEN, who, as head of the civic government, is actively engaged in fostering the further development of the city.

OLD UNIVERSITY HAS FINE RECORD OVER LONG PERIOD

University of Ottawa Has Given Canada Many Leading Men

Facilities for education have kept pace with the growth of Ottawa. The city now claims 55 elementary schools; two collegiate institutes; one technical school; one high school of commerce and one university, together with 15 colleges.

The University of Ottawa has a fine record covering many years. Among its graduates have been a Secretary of State for the Dominion, the Speaker of the House of Commons, a Supreme Court Judge, a Premier of Newfoundland and many other men who have occupied responsible positions within the British Empire.

Graduates Enter Church

To the church the university has given two archbishops, six bishops, hundreds of secular and regular priests, while to society it has contributed a large number of citizens trained and fitted for the highest positions in different professions.

The College of Bytown, from which the University of Ottawa sprang, was founded in 1848 and originally occupied a three-storied wooden school house in the garden of the Episcopal Palace.

Had Smaller Foundation

In the early days of the college, instruction was given to about 60 boys by teachers of the Congregation of the Oblates of Mary Immaculate, the object being to provide a classical education for Catholic youths and also to prepare the way

(Continued on page 27)

MUCH WEALTH GAINED IN PAST FROM FOREST

Ottawa Was Thriving Centre for Lumber Business

IDEAL CONDITIONS

Abundance of Timber and Proximity of Rivers Gave Ottawa Leadership

The vast timber limits extending up from the shores of the Gatineau, the Ottawa and other tributary rivers formed the foundation of Ottawa's industrial strength.

Lumbering in the past was the vital factor in the lives of all business men, for the potential wealth of the forest, the excellent facilities offered by the Ottawa river for shipment and the power to be developed at the Chaudiere Falls for saw mills all co-ordinated to make the town a humming centre of activity in the lumber business.

Many Famous Names

Many names are associated with the growth of the industry. Such men as Booth, Edwards, Cameron, Bronson, Eddy and a dozen others spring to the mind in connection with Ottawa's lumber industry. These men saw the opportunities to be gained by pioneering in the hinterland of the Gatineau hills and neighboring country, and from the forest many extracted substantial wealth.

Records of past days give colorful accounts of the life on the river over half a century ago. Timber was floated down the Gatineau and collected in the Ottawa river. The Chaudiere Falls provided a thorn in the flesh of lumbermen bringing logs down the Ottawa river for rafts had to be broken up and the logs sent down chutes to be reassembled in the river below.

Voyages Were Epics

When these great rafts were made up their voyage down the river, into the St. Lawrence and thence to Quebec, were epics. Manned by a crew of individual whose genius has now virtually disappeared, these great rafts would float down the river and be steered through dangers innumerable.

The crews would be paid off in Quebec, money would be spent freely and the men would make their way back to the upper reaches of the Ottawa to be ready for the next season's work.

Advent of Newsprint

Advent of the pulp and paper industry, hydro-electric developments and opening up of new timber limits gradually reduced activity in lumbering in Ottawa. Saw mills have been closed in many cases or supplanted by pulp and paper plants and the Chaudiere Falls have been utilized for generating large blocks of electrical energy. Construction of great hydro-electric plants on the Gatineau river has also tended to eliminate logging on the river and the lumber industry in Ottawa has lost some of the proportions which it had assumed in previous years.

At the present time, the industry occupies about 12 per cent of the total labor employed in the city. The pulp and paper industry accounts for another 21 per cent.

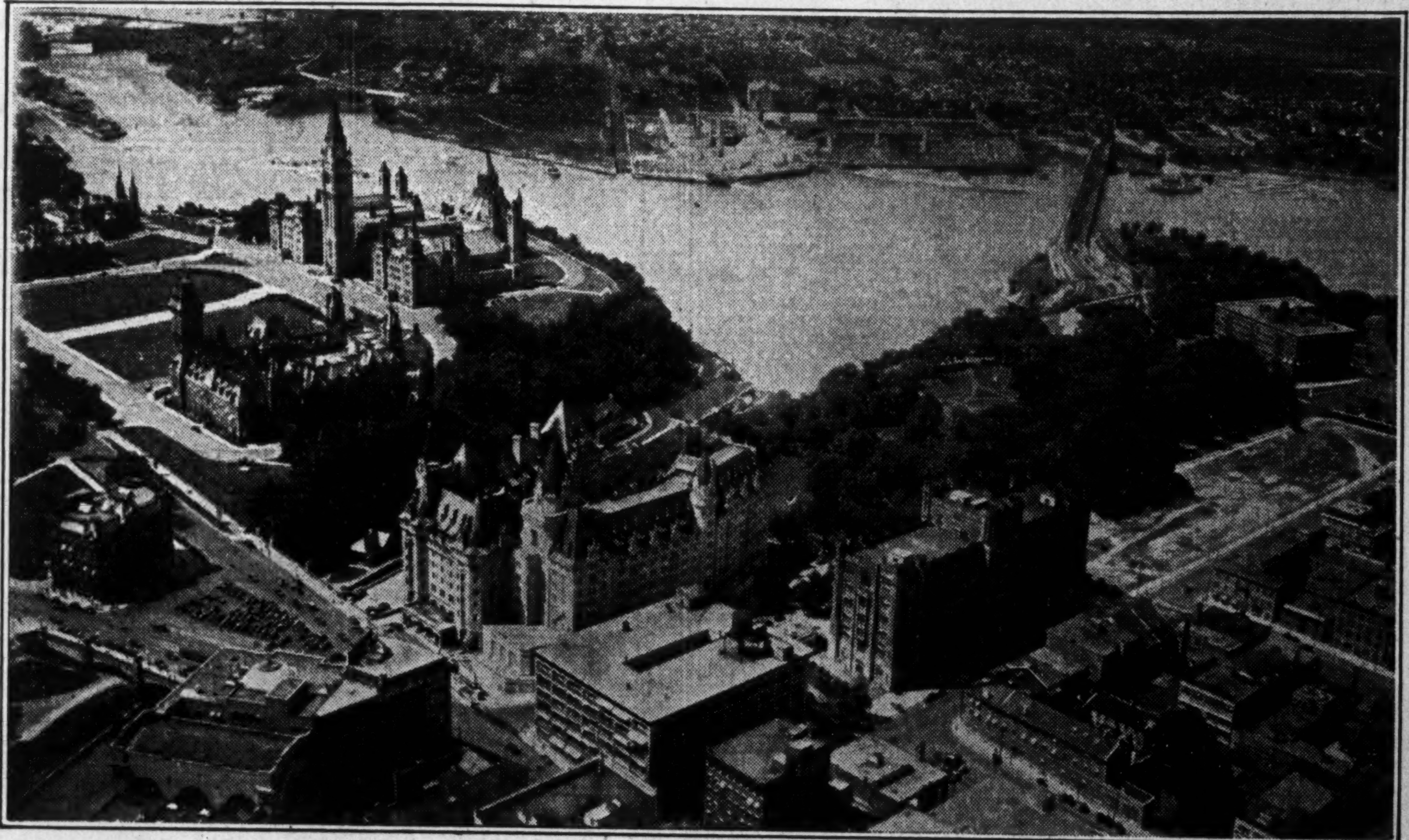
The lumber industry, however, has been faced with difficult times

(Continued on page 27)

Beauty of Buildings Impresses Ottawa Visitor

This view of the recently constructed Peace Tower of the Dominion Parliament Buildings forms one of the striking landmarks in Ottawa. Enclosed in the tower is one of the largest and finest carillons in the world, built to commemorate the sacrifice made by thousands of Canadian soldiers in the World War.

Like an Old World City, Ottawa Nestles Along the Mighty Ottawa



Only an air view can give any comprehensive idea of the beauties of Canada's capital. Looking down upon the city, it is possible to see the many natural advantages which make the city worthy as the seat of the Federal Government. Along the broad sweep of the Ottawa River, a community development has taken place, which makes Ottawa one of the really fine cities on the continent.

RAIL SERVICES GIVE INDUSTRY ALL FACILITIES

Ottawa Served by Three Great Railroads

Industry in Ottawa need have no worries regarding transportation.

The city is a divisional point for both the Canadian National Railways and the Canadian Pacific Railway while it is also served by the New York Central Railroad. Radiating from the city are lines which connect it directly with all local points and transcontinental services touch Ottawa each day.

Fine Highway System

In addition, the city is served by a system of highways second to none in the province of Ontario. Excellent motor roads connect the city with Montreal, 125 miles distant, Prescott is but 60 miles away where the crossing is made by ferry to Ogdensburg in the United States. Morrisburg, the site of another ferry across the St. Lawrence, is only 50 miles away.

The Prescott highway continues on to Kingston and thence to Toronto following the shore of the St. Lawrence river for the greater part of the way. West from Ottawa various highways radiate through the Ottawa Valley and a substantial trucking business is carried on to and from the capital city along the various roads with which it is served.

Water Was First Medium

Water, which at one time was the greatest medium of transportation in the district surrounding Ottawa, is not used to such an extent today. There is, however, a regular service between Montreal and Ottawa on the Ottawa river while the Rideau Canal, built a century ago, still is used as a means of carrying waterborne transportation to its western terminus at Kingston.

Completion of the Canal in 1831 gave Ottawa its first direct link with western Ontario. The Canal was built by a company of British sappers and miners under command of Colonel John By. Its construction originally was intended to give a means of transportation to military forces in the event of war with the United States.

Building of this Canal entailed a large outlay of money. Though it is used chiefly by pleasure boats now, the locks and works comprising the vast project have been kept in an excellent state of repair.

The first railroad to enter Ottawa was the Canada Atlantic Railway which was built largely at the instigation of the late J. R. Booth. This road was the chief factor in opening up the fertile Ottawa Valley and its operation played an important part in the general development of Ottawa.

Provided Connecting Link

Running from the Georgian Bay to the St. Lawrence river and beyond, the road provided a connecting link with western Ontario and the United States. It comprised some 400 miles of line and over 100 miles of branch lines and sidings.

In 1905 this road was sold to the old Grand Trunk and eventually became absorbed into the Canadian National Railways System. The service which it gave in its early years had played a vital part in the city's industrial growth, proving the indispensability of adequate transportation facilities where industry is concerned.

River Aided Ottawa

It was transportation again which gave Ottawa its importance as a lumbering centre in the past. Though the vast timber resources adjacent to the city were naturally the first factor to be considered, without the medium of the river as a means of shipping the lumber to markets, all the forest wealth at that time would have been without value.

As it was, the various streams and

(Continued on page 27)

Ottawa Builds Name As Convention Centre

Popularity of Ottawa as a convention centre has developed rapidly in the past few years. This may be attributed chiefly to two factors: enlargement of the Chateau Laurier Hotel and the aggressive efforts of the Industrial and Publicity Commission of Ottawa.

The Chateau Laurier as it stands today is one of the show places of the continent. An additional wing was constructed two years ago, and the structure is now capable of accommodating 1,000 guests.

Outstanding Architecture

Not only does the style of its architecture make it outstanding among hotels of today but its lavish interior fittings give it claim to being the most sumptuous hostelry in Canada.

Conventions held in Ottawa are not lacking for entertainment. The city has more than the usual variation of attractions to offer the visitor and in recent years there has been a growing tendency for associations to plan their conventions in the Capital.

During the current year over 3,000 individuals are booked to stay in Ottawa, according to official records to date. These, however, only cover the current year as far as August; various other conventions are expected later in the year.

Following is a list of conventions scheduled from the beginning of the year to date:

Jan. 26-27. Life Underwriters.

Feb. 4-5. Dominion Land Surveyors.

Feb. 26. Central Canada Veterinary Ass'n.

Mar. 4-5-6. Canadian Institute of Mining and Metallurgy.

May 25-26. Canadian Historical Association.

June 11-13. Eastern Canadian Laundry Owners' Ass'n.

June 25-27. Association of Municipal Electrical Utilities.

July 7-9. Ontario Retail Druggists Ass'n.

July 29-31. Elks.

Aug. 26-28. Ancient Order of Foresters.

Aug. National Council of Education.

Aug. 19. The British delegation to the International Congress of Building Societies and Centenary Convention of Building and Loan Associations, covening in Philadelphia August 10-15 arrive in Ottawa August 19.

All American Tours—L. A. Webb, director—two trips, one 100. Travel Study Tour for Transylvania University, the other one of fifty members.

British and foreign delegates to the World Temperance Union convening in Toronto arrive in Ottawa June 1.

Historical Papers Reveal Ottawa's Indian Origin

On Lake Nipissing Champlain met Indians who lived mostly on Manitou Island, but afterward took refuge in Wisconsin to escape the terrible onslaughts of the Iroquois. Because of their habit of dressing their hair upright and tying it on the top of the head, he refers to them as Cheveux Releves, or "Standing Hairs." There is no record of the name by which these Indians designated themselves. In the Jesuit Relations (1654-6) they are referred to as Outaouak, and in 1665 Dollier de Casson calls them Outaoua.

After 1700, writers who never had any intercourse with these Indians changed the spelling to Outaouais, and finally it took the form Ottawa. At a still later date the name Ottawa was used to designate the "Grand River of the Algonquins;" and, from 1855 onward, Canada's beautiful Capital City, at the junction of the Ottawa and Rideau Rivers. Thus, it appears that the name of the capital of the great Dominion of Canada is derived from that of an Indian tribe which lived at the north end of Lake Huron and only came down the Ottawa River periodically to trade with Montreal merchants.

On June 4, 1613, Champlain, in charge of a party of intrepid explorers, reached the mouth of the Gatineau River, opposite the eastern part of the present City of Ottawa, on his voyage of discovery for a North-West Passage to China. However, the actual founding of the City of Ottawa was not until 1826 when Lieutenant-Colonel John By, of the Royal Engineers, who built the Rideau Canal at an outlay of $1,000,000, constructed rude frame barracks for his men where the Parliament Buildings now stand, also a

(Continued on page 27)

OTTAWA DRAWS MANY TOURISTS AT ALL SEASONS

Winter and Summer Both Offer Wide Attractions

Tourists are flocking to Ottawa in numbers which have shown a surprising increase in the past few years. The city is taking aggressive measures, through the medium of its Industrial and Publicity Bureau, to draw attention to the undoubted attractions which the city and district possess and its efforts have evidently met with success.

The city has the dual advantage of being able to offer inducements to the tourist both in winter and summer. While its scenic beauty, its rivers and its historic attractions draw a large number of visitors in the summer months, in recent years there has been a definite campaign to build up the winter tourist business.

Inaugurate Winter Carnival

The inaguration of the Dog Derby has brought thousands of people to the Capital in the past few winters, while the Winter Carnival has achieved nation international popularity.

Ottawa claims what is thought to be the largest ski club in the world. Enthuiasts are able to follow trails through the Gatineau Hills which have no few equals on the continent while the ski-jumping competitions held during the Carnival draw the best jumpers in Canada to the city.

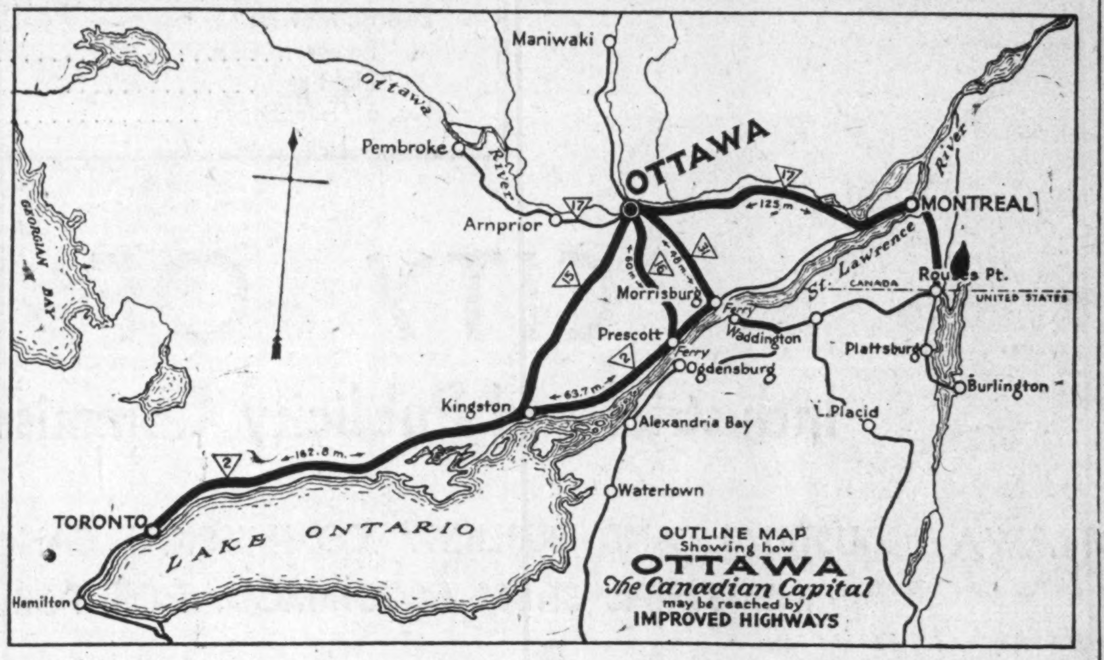
On Main Highways

Motorists find Ottawa easily accessible. From the city radiate excellent highways in all directions. The city has established a large tourist camp with all facilities for the traveller, and accommodation, water and all the needs of the touring motorist are well cared for.

Perhaps one of the outstanding attractions in the city from the tourist's point of view is the unexcelled hotel accommodation. Ottawa has many hotels, the chief of which is the Canadian National Railways Chateau Laurier which now ranks as one of the leading hostelries on the continent.

This hotel has been enlarged in recent years and now is capable of accommodating 1,000 guests. Its equipment is unique in many ways and the attractions which it offers have been no small factor in drawing the tourist to visit the capital of Canada.

Ottawa is the Centre of Richly Productive Area



One of the most highly developed areas in the Dominion centres around Ottawa. For many miles in every direction, the city is regarded as the focal point for marketing and communal interest. Yet withal Ottawa is only a short distance from Montreal, Toronto and other large urban centres, while its rail connections give it an egress to all the important industrial and distributing centres of Eastern and mid-Western United States.

OTTAWA HOLDS MARKET KEY OF RICH AREA

City is Commercial Hub of Thriving District

PURCHASING POWER

Textile Industries in Fertile Valley Speed Operations as Result of Tariff

To the manufacturer seeking a wider distribution of his products, Ottawa offers great potentialities.

The city itself, with its substantial per capita purchasing power, provides an excellent market while Ottawa, as the principal centre of the Ottawa Valley, is a pivotal point for further distribution in a thriving and wealthy area.

Commercial Hub of District

The Ottawa trading area includes part of the county of Carleton, Ontario and parts of Hull county in the Province of Quebec. Towns in the wholesale area include Carleton Place, Smiths Falls, Renfrew, Perth, Arnprior, Prescott, and Cornwall, all in Carleton county.

In Ottawa itself, one of the chief factors to be considered from a marketing angle, is the constant purchasing power of the civil service employees. There are over 10,000 civil servants receiving a total of over $16,000,000 in salaries each year.

Largest Employer of Labor

The civil service is the largest employer of labor in the city and employees in this division are a factor of prime importance in the purchasing power of the city. Salaries are constant, fluctuations in this payroll are quite small, unlike the average industry where there are bound to be variations from one period to another depending on business conditions generally.

Another item to be considered, apart from the regular civil service, are the sessions of Parliament. The House usually sits for five months of each year and the 350 members receive an aggregate total of some $1,360,000 each year. Much of this is obviously spent in the capital.

City's Principal Industries

Principal industries in the city, apart from the civil service, include pulp and paper which accounts for 21 per cent of the total labor employed; lumber, 12 per cent, and other industries for 25 per cent of the total payroll from all sources.

Manufacturing industries provide, according to estimates, about 59 per cent of the city's payroll, the civil service and the railway companies contributing the bulk of the remainder. Ottawa is the third largest industrial centre in Ontario and labor troubles are practically unknown.

Provides Ready Market

It can easily be realized that Ottawa provides a market with considerable potentialities. Aside from the permanent residents of the town there is a substantial and growing tourist business which is bringing larger amounts of money to the city each year.

The city, as the Capital of Canada, has a natural attraction which draws many visitors each year while strenuous efforts on the part of the Publicity Bureau have met with a degree of success in drawing attention to the inducements which the city offers to tourists.

Large Power Supply

Another factor to be considered in viewing Ottawa is its tremendous supply of electrical energy. The city has the distinction of having a greater supply of and reserve of electrical power within its trading area than any city on the continent.

Within the city limits is a large power development and within 100 miles there is over 700,000 horsepower installed with a further potential supply of 1,030,000 horsepower. The abundance of power for industry is a factor which must be borne in mind when viewing the future of Ottawa.

Ottawa Valley Important

The area of which Ottawa forms the hub, from a commercial angle, has proved itself in the past. Ever since the Ottawa Valley was opened up by the inauguration of service on the old Canada Atlantic Railway, a project planned and carried through largely at the instigation of the late J. R. Booth, the Valley has developed along progressive lines.

The Ottawa Valley now includes some of the finest farming areas in Ontario. It has been estimated that there are over 4,000 farms in Carleton county alone of which Ottawa is the chief city. The value of agricultural land, buildings, implements and livestock in the country has been estimated at $50,429,000.

Central Canada Exhibition

In Ottawa there is held each year the Central Canada Exhibition which, in addition to the usual attractions which go to make up a large fair, provides a meeting ground for agricultural interests in the district. Livestock and agricultural exhibits are given prominence and the fair gives a substantial impetus to farming in the territory surrounding Ottawa.

There are certain industrial features in the Ottawa Valley which should not be overlooked. Since the tariff regulations were revised in the fall of 1930, a great fillip has been given to the textile industry which has been an important factor in the industrial life of the Valley in the past.

Renfrew, Carleton Place, Arnprior, Cornwall and other places all employ a substantial amount of labor in textile mills, and the new tariff has allowed these mills, some of which have been closed in recent years to

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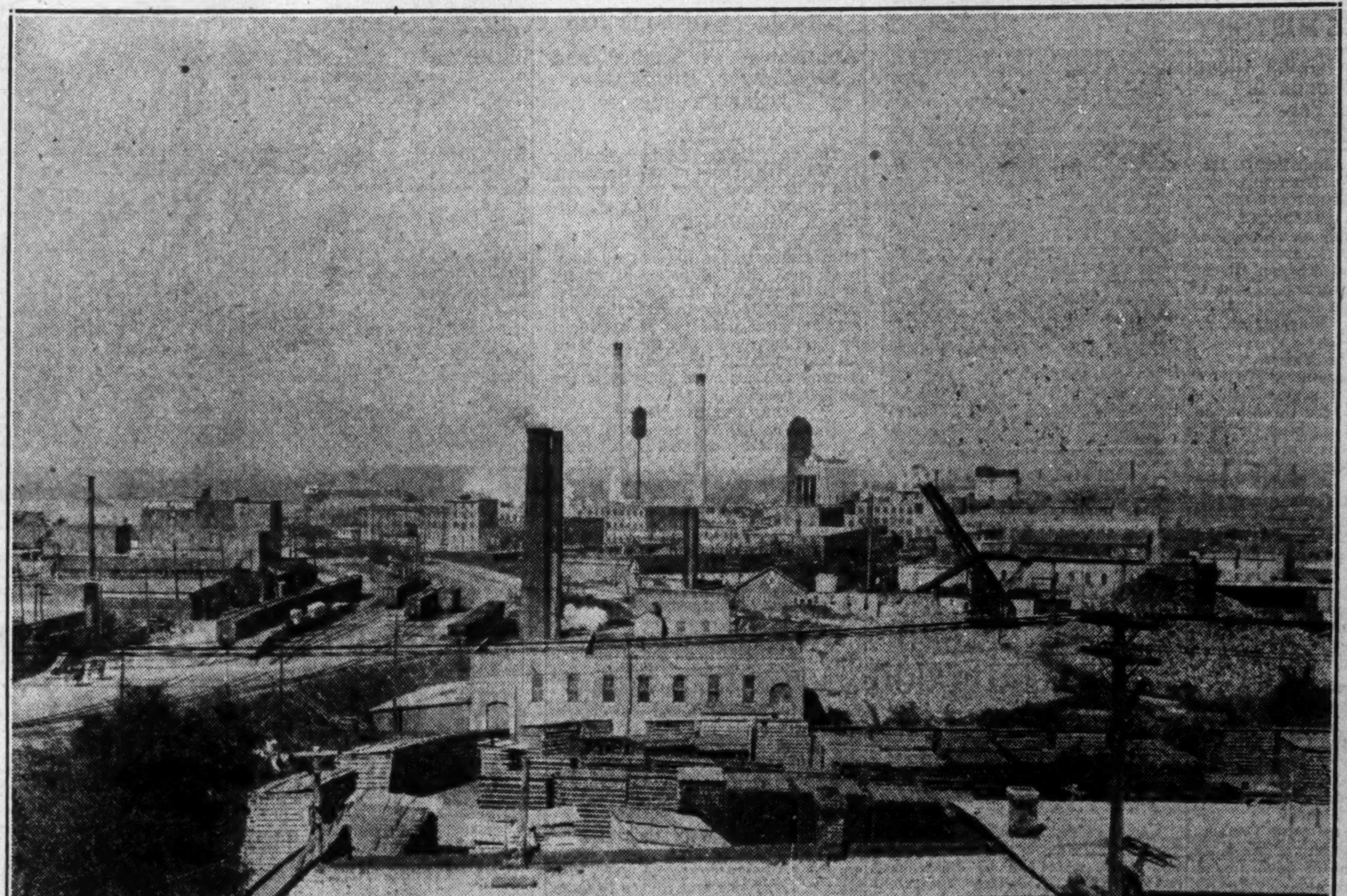
LOOKING BEYOND THE TOWER AT OTTAWA

The Capital City of Canada

Like a great sun dial the Victory Tower of the Parliament Buildings casts its protecting shadow over industrial Ottawa.



The Market and Distributing Centre of the Ottawa Valley

OTTAWA captivates the imagination. Known throughout the world as the seat of the Federal Government of Canada, it exerts an influence on the social and economic life of the Dominion more far-reaching than any other city. The panoply of government, however, trends to minimize the important position occupied by industry in the Capital City. For many obvious reasons industrial activity in Ottawa has developed steadily until today the value of products produced places this city in a prominent place among the major industrial centres of the Dominion.

It was the year 1613 when the first white man—Samuel de Champlain—landed here. The years passed and a small lumbering village grew up on the spot. In 1827 the British Government sent Colonel John By to build the Rideau Canal and in three years the canal was completed and Bytown established. The year 1859 arrived and Ottawa received its name and its crowning glory when Queen Victoria chose it to be the Capital City of Canada.

The locality is one of nature's great achievements. It is a beautiful panorama of forests, hills and rivers. At the same time the very contours of the land lend themselves to successful and harmonious development of the machinery of our modern civilization.

The city is situated midway between Toronto and Montreal. It is the centre of a network of highways leading to and from all the great markets of the North American Continent. It is on the main lines of the Canadian National and Canadian Pacific railways and is a terminal point of the New York Central Railway.

The local market is worthy of investigation. Within a three-mile radius of the city hall dwells a population of 200,000 people. The Ottawa valley is one of the most fertile and prosperous territories in the Dominion.

The industrial development of Ottawa has been a sure and steady growth. Because of the city's natural advantages and the enterprise of her citizens, Ottawa today stands fifth in the whole Dominion of Canada under the heading "Value of Products." For men with vision the industrial potentialities of Ottawa present real opportunity.

It will be found on investigation that conditions surrounding availability of raw materials, labor situation, local and foreign markets, transportation facilities, unlimited supply of power, and local legislation in Ottawa are all helpful to business enterprise.

FACTS

which place Ottawa among the most important industrial centres of Canada

Bank Debits	$	2,001,694,411.00
Building Permits, 1930	$	3,403,333.00
Industrial Plants		195
Capital Invested (Manufacturing)	$	58,207,109.00
Salaries and Wages	$	10,217,593.00
Value of Products	$	61,612,832.00
Trade over (Half inward and half outward)	$	34,000,000.00
Electric Meters:		
Power		765
Lighting		38,809
No. of Telephones		37,750

CITY OF OTTAWA

Industrial and Publicity Commission, City Hall, Ottawa, Canada

THE OTTAWA INDUSTRIAL AND PUBLICITY COMMISSION CAN SUPPLY INFORMATION IN DETAIL WITH REGARD TO AVAILABLE INDUSTRIAL SITES, ACCOMMODATION FOR CONVENTIONS AND ADVICE FOR TOURISTS.

Industry Will Find Adequate Facilities In Capital of Canada

City is Fourth Largest Industrial Centre in Ontario

MUCH WATER POWER

Approximate Available Supply in Ottawa District Totals 1,503,600 Horsepower

Ottawa is not dotted with rising smoke stacks, congested traffic lines and all the other outward characteristics which go to make up the ordinary industrial centre. Yet withal it occupies an important and growing importance as a manufacturing centre.

Being the seat of the Federal Government, development of the city has been along lines of other governmental centres. This has tended to restrict the industrial growth which one might otherwise expect in view of the many natural advantages which the city enjoys.

Fourth Centre in Ontario

At present Ottawa is the fourth largest industrial centre in Ontario. Its manufacturing output runs into many millions of dollars a year and employment is provided for several thousands of people. Why these plants should establish at this point and the reasons why other industries will establish there are apparent from the following brief survey of the city's attractions:

In the first instance Ottawa is the centre of an important marketing area. The city proper houses some 127,000 people. Over and above, however, is an important neighboring population of the area centring on Ottawa up to around 250,000. Thus Ottawa is one of the largest marketing areas in the Dominion from point of population.

Has Adequate Facilities

In these days two of the most important factors in deciding upon the site for the establishment of an industry are cheap power and adequate labor. Other points of importance are transportation facilities, living conditions, taxes, marketing advantages, etc.

Probably no other centre in the Dominion has as few labor disputes. This is due to the fact that the labor turnover is particularly small, owing to the stability of employment and spending power provided by the large number of civil servants located at that point. The needs of the citizens fluctuate but little from year to year, so that the demand for supplies, services, etc., keeps constant.

Mighty Power Resources

In respect to water power resources, Ottawa has much to offer the manufacturer. The mighty Ottawa River flows by the city. On it are many sites developed and undeveloped which assure an adequate supply of hydro-electric power for many years to come.

Considering the power available in the Ottawa district, one finds that the city is more fortunately located in this regard than other centres in Canada or the United States. According to the Federal Government the approximate available supply of water power in the Ottawa district is 1,503,600 horsepower. Of this amount, 859,768 horsepower is developed.

Not all of this power is available for Ottawa's needs, however, as the developments surrounding Ottawa are of a magnitude far beyond the city's present or near future needs. Some 756,000 horsepower is developed and sold wholesale to the Ontario Hydro-Electric Power Commission and some of the major industries within the district. Part of this power, however, finds its way to Ottawa and if needs arose, considerably more could be diverted from its present channels.

Developments on the Ottawa River include that at Bryson of 50,700 horsepower; Chaudiere Falls (at Ottawa), 49,700 horsepower; Chats Falls, 200,000 horsepower; and Deschenes, 3,368 horsepower. Then there are the developed power sites on the Gatineau River, aggregating over 436,000 horsepower, while another plant on the Lievre River at High Falls has a rating of 120,000 horsepower.

Power Costs Are Low

This water power is available to manufacturers in Ottawa on very reasonable terms — a factor of no small importance where power costs enter largely into production costs.

Turning to transportation facilities, Ottawa is well served. The Canadian National, Canadian Pacific, New York Central and other connecting roads provide the city with adequate rail service. These roads in turn link up with every important centre in Canada and the United States, as well as with the seaboard ports.

Excellent Highway System

Radiating from Ottawa are a number of excellent provincial highways, which make trucking feasible for the distribution of products within a comparatively wide area. These roads are maintained in excellent condition and are open the greater part of the year.

In addition to the railways and highways, Ottawa is served by the Rideau Canal system. With the development of other forms of transportation, however, water-borne transportation has receded in importance.

Healthful Living Conditions

Manufacturers today recognize the extreme value of providing their employees with healthful and harmonious living conditions. Though Ottawa ranks among the older Canadian communities, it is fortunate in that it has not to contend with slum conditions. Buildings, streets, lighting, parks, playgrounds, schools, churches, have been all maintained at a standard worthy of the Dominion's capital.

Recreational facilities abound, there being golf courses, skiing in the Gatineau Hills, tennis courts, ice rinks; in fact, the whole gamut of sport facilities.

The population is predominately Canadian. The foreign element is negligible. Community interest has been strongly developed, a fact which has an important bearing upon the many phases of life in the city.

Serves Wide Market

The strong attraction of Ottawa as an industrial centre is the ready-made market in Ottawa and the Ottawa Valley. As already mentioned the labor turnover is small. This makes for stability in the purchasing power of the citizens.

While the prosperity of the city and district moves up and down with general conditions throughout the Dominion, it is noticeable that the recessions and advances are much less violent than in any other parts of the country. The manufacturer catering to the needs of this quarter of a million people, therefore can adopt his operations to all-year round operations with a consequent decline in production costs.

There are many other reasons to support the claims of Ottawa as an industrial centre. Those outlined above are the major considerations. Examination of the minor reasons further strengthens the opinion that few centres of importance in the Dominion have as much to offer the manufacturer as Ottawa.

Building Permits Reach High Level

Constructional activity has been maintained at a high peak in Ottawa in the past few years. Many fine buildings have been erected in addition to the recently constructed Government Buildings on Parliament Hill.

Though building permits have shown a tendency to fluctuate from year to year, it is interesting to note that construction is maintained on a fairly stable basis as compared with some other centres.

Following is a record of building permits in Ottawa over the past seven years:

1925	$4,911,695
1926	3,101,748
1927	6,446,045
1928	5,435,300
1929	3,403,325
1930	6,355,995

RAIL SERVICES GIVE INDUSTRY ALL FACILITIES

(Continued from page 25)

rivers in the surrounding territory afforded a ready channel for running logs down to Ottawa where they were brought together into rafts and floated down the Ottawa river and thence to Montreal, Quebec and foreign markets.

Today the railroads play the same part for indusrty as the river did before them. The adequate service maintained at all times gives a vastly superior means of transportation for modern industry than the river did in the old days and manufacturers have been quick to take advantage of the fact.

OTTAWA HOLDS MARKET KEY OF RICH AREA

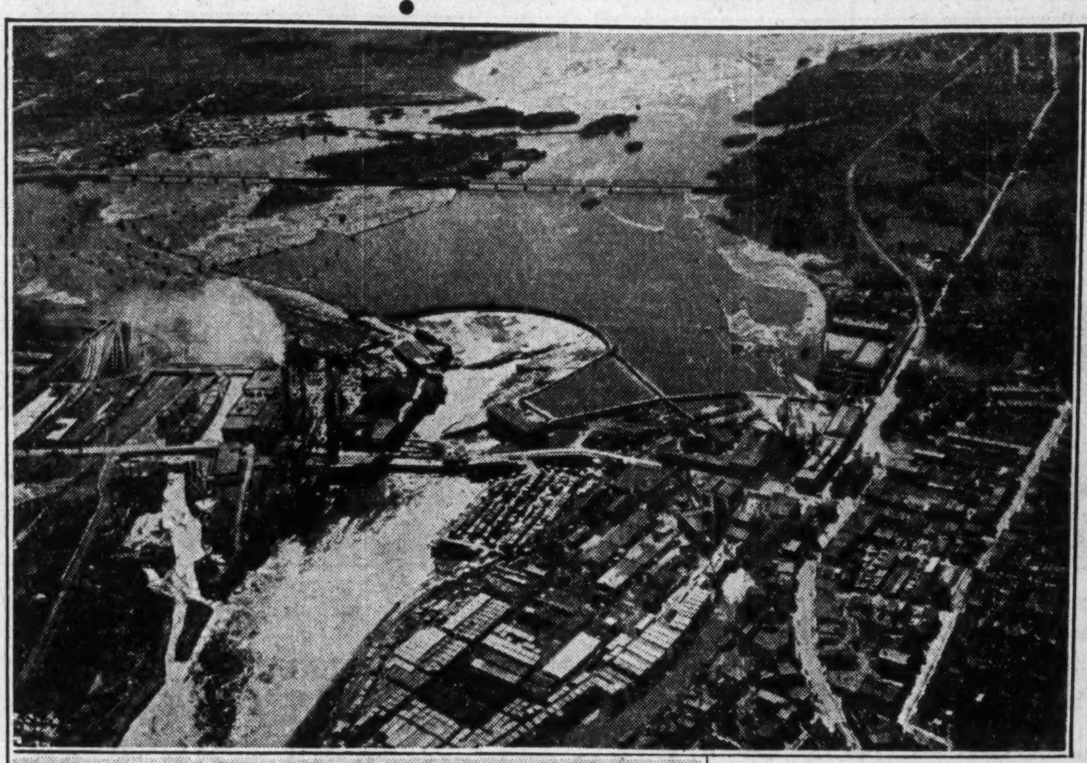
(Continued from page 25)

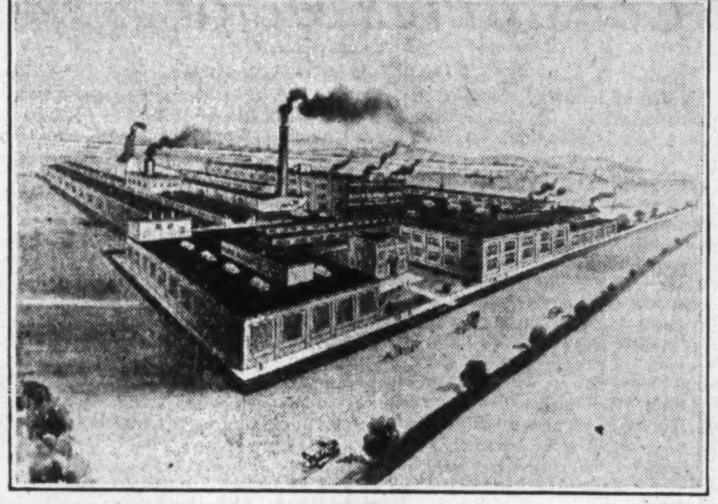
open and operate at a good rate of capacity.

At Cornwall, Courtaulds, Canada, Ltd., has erected a large addition to its rayon mill costing around $1,000,000 and capable of giving employment to several hundreds of additional workers. Canadian Cottons Ltd. also has mills at this point together with various other thriving and active industries.

In the midst of this progressive area is Ottawa, the commercial hub of a district which will go forward with Canada in the future.

Nearly 200 Industrial Plants Located Within Ottawa





According to recent census figures, Ottawa ranks as one of the ten leading industrial centres of the Dominion. While its growth along industrial lines has not been as rapid as that recorded by other centres, efforts now being made will assure the establishment of many other plants, which will find in Ottawa the advantages which go to make for successful operations. In the upper air view is one of the more highly concentrated industrial areas of Ottawa, the picture showing the plants of the J. R. Booth Co., and Eddy mills on the other side of the river. The lower view illustrates the plant of the Beach Foundry, one of the larger and more successful industrial concerns in Ottawa.

MUCH WEALTH GAINED IN PAST FROM FOREST

(Continued from page 25)

throughout Eastern Canada for some years. Overproduction and severe competition has made inroads into profits of lumbermen, while manufacturers of substitutes for lumber have been successful in merchandising their products to a wider degree than formerly.

The low water rate via the Panama Canal makes easy the shipments of Pacific Coast lumber to the markets in Eastern and Central Canada and to the United States. The softwood lumber manufacturing industry in Eastern Canada has been gradually decreasing.

Absorbs More Spruce

The pulp and paper industry is absorbing more and more the available spruce which brings greater returns for that purpose than when manufactured into lumber. These factors have been reflected in lumbering in the Ottawa district as in other territories formerly dependent on the industry as a chief source of revenue.

The extent of the value of the lumbering industry in Canada is seen at a glance at the Government figures covering statistics in 1928, the latest figures available. In that year the gross value of all products of the industry stood at $139,424,000 as against $133,620,000 in the previous year. There was invested in the industry, $175,729,000.

J. R. Booth Leader

J. R. Booth was the greatest figure in the lumber industry in Ottawa. Starting as a boy with no capital he had established a name for himself as the "Lumber King" by the time he died in 1925.

His timber limits covered a vast area, his name was known in every village and hamlet in Eastern Canada where lumbering was the chief form of labor. His employees totalled thousands and the wealth amassed during his lifetime ran into many millions.

Built Newsprint Mill

J. R. Booth was progressive. He moved with the times, a factor which was responsible for his rapid rise to greatness. When the pulp and paper industry began to rise into prominence Mr. Booth established a pulp mill and then a newsprint mill which continues to operate in Ottawa today.

Construction of the Canada Atlantic Railway was one of the outstanding features of Booths work. This road gave Ottawa its first rail service. It provided a connecting link with United States points and opened up a fertile section which had a vital bearing on the future of the country served.

Was One-Man Road

The line was a one-man road. It was built, owned, and controlled by Booth and was operated under his direction for many years. When completed and different systems had been co-ordinated, it comprised no less than 400 miles of line and over 100 miles of sidings and branch lines. The railway extended from the Georgian Bay to the St. Lawrence river and beyond.

The magnitude of Booth's investment is seen in the fact that it had cost him over $18,000,000 when he sold it to the old Grand Trunk in 1905 at a price approximating $14,000,000. Though he had taken a loss on the transaction, Booth had opened up the Ottawa Valley and provided transportation to points hitherto inaccessible by rail from Ottawa.

OTTAWA, CAPITAL CITY, HOLDS RIGHTFUL TITLE AS PULSE OF NATION

(Continued from page 25)

most 130,000 and its splendid streets, its Driveway, its park system, its imposing commercial buildings and residences are evidence of the prosperity and growth of Canada.

Driveway is Notable

The Driveway is worthy of special mention. This outstanding roadway has been developed over a period of years and winds through the heart of the city following the path of the Rideau Canal. Actually, the original tow path on which horses in earlier days pulled barges and boats in the canal forms the foundation for this magnificent park Driveway, which together with parkways extends about 25 miles.

Evidence of the measures taken to beautify the city are seen in the recent government expropriation of large blocks of land in the central part of the city. Old business blocks have been torn down and replaced by lawns and flower beds, providing an oasis in the very centre of the city.

STANDARD BREAD OPERATES MODERN BAKING PROPERTY

Subsidiary of Inter City Well Entrenched in Ottawa

Standard Bread Co. of Ottawa, a subsidiary of Inter-City Baking Co., serves a substantial portion of the city's baking requirements. The company has been in operation since 1915 and today its plants have a daily capacity of 25,000 loaves, while the company operates approximately 62 routes.

It was in 1927 that Standard Bread Co. of Ottawa was acquired by Inter-City Baking Co. This company, which is in turn controlled by Lake of the Woods Milling Co., has made progress since its inception. Despite difficulties encountered in the baking industry in 1930, Inter-City Baking Co. reported an increase in profits.

Last year was a difficult one for the baking industry, owing to keen competition, cutting in bread prices, and fluctuations in the price of flour. Inter-City Baking Co., however, succeeded in earning a sum equal to $6.02 a share on its common stock as compared with $4.68 a share in the previous year, while working capital position was strengthened.

In addition to the Standard Bread Co. of Ottawa, Inter-City Baking Co. controls Brown's Bread, Ltd., Toronto; Shouldis Bread Co., Ottawa; Standard Bread, Montreal; and A. and L. Strachan, Ltd., Montreal.

Two Bakeries in Ottawa

Through these five bakeries, two of which are in Ottawa, the company has a combined capacity of 100,000 loaves of bread and 2,500 pounds of cake daily, distributed in the various cities served through about 300 delivery routes.

Though the company is controlled by Lake of the Woods Milling Co., there is a public investment interest in Inter-City in an issue of 5½ per cent first mortgage bonds. At the end of 1930 these were outstanding to the extent of $1,600,000.

After provision for depreciation, interest requirements on this bond issue were earned 2.46 times. Lake of the Woods owns the majority of the common stock on which a dividend of 4 per cent is paid.

Inter-City Baking Co. has made progress in Ottawa through Standard Bread Co.

Splendid Site

Within one mile of Parliament Buildings, Union Station, Château Laurier and Ottawa Post Office—14.85 acres in Eastview, directly beside and joined to Ottawa by two modern bridges—Eastview shares same electricity, power, gas, telephone, water and sewerage services as Ottawa—959.38 feet frontage right on new Government Driveway, bounded in rear by Canadian Pacific Railway tracks — main Montreal Highway adjacent.

Eastview offers every concession to manufacturers —can exempt from taxes all new homes, etc.—property very ideal one for factory with working men's homes, religious institution, etc.; can be secured at reasonable figure—real enhancement in value will be realized when Government Driveway System completed. Full particulars may be obtained from K. Frith, 75 Sparks Street, Ottawa.

New Filtration Plant Important Civic Step

Installation of Comprehensive, Modern Unit Culminates Long Discussion and Ensures Adequate Supply of Pure, Clear Water

Construction of a modern rapid sand filtration plant at an estimated cost of $1,315,000 is one of the most important civic undertakings presently being carried out in Ottawa. The new plant is expected to be in operation by the fall of this year.

Water supply is a vital feature in all civic affairs and when the new filtration plant is in operation, Ottawa will have a modern unit capable of supplying 35,000,000 imperial gallons per day of clear, pure water.

Settles Long Discussion

Decision to construct the new water purification plant on Lemiux Island in the Ottawa river, settles once and for all time discussions which have raged around various plans pertaining to changing the city's water supply during the past twenty years.

Various proposals have been made in the past two decades, but up till 1928 ratepayers never ratified the plans of eminent engineers, who had been called in in a consultant capacity.

Supply From Ottawa River

Ottawa draws its water supply from the Ottawa River. The intake works and main pumping stations are located on Lemiux Island, situated about the centre of the stream and about one mile above Chaudiere Falls.

At various times the question of improving the water supply has been brought up. In 1910 a report was secured in favor of bringing in an improved supply from McGregor Lake on the Blanche River, flowing down from the Laurentian Hills, with a storage dam fifteen miles from the City Hall. At the same time an alternative filtration project was reported on. The scheme was voted down by ratepayers.

Called in Experts

Three years later Sir Alexander Binnie, of London, and Sir Alexander Houston, noted chemist and bacteriologist for the Metropolitan Water Board, London, were called in.

They propounded schemes which included filtration, and the securing of water from Lake Deschenes, a lake expansion fourteen miles upstream on the Ottawa river. The possibilities of McGregor Lake were also investigated.

Another proposal was made to bring water from the Thirty-One Mile Lake chain of lakes on the Gatineau river watershed, through a fifteen-mile pipe line. All these were voted down.

Discussed Again in 1927

The question became a live issue again in 1927 when the City Council gave instructions to review all the reports, to examine into the possibilities of any other source not reported on, and to prepare a report recommending what was considered the best solution of Ottawa's water supply troubles.

Accordingly in 1928, the Civic Waterworks Engineer recommended construction of the plant now being built. This time the report was favorably viewed by ratepayers.

Erected Trial Plant

An interesting feature of plant construction was the erection and operation of a trial plant to determine definitely the most effective and economical method of treating Ottawa river water. This plan was very successful. Much data was collected during the period the trial plant was in operation, which had a considerable bearing on the ultimate design of the main plant.

A general review of specifications of the new filtration unit includes three settling basins, each 30 feet wide by 301 feet long and of the unusual depth of 30 feet. There are being installed ten filter bins, each with a capacity of 3,500,000 imperial gallons per day, while provision has been made for easy and economical extension until 24 bins of similar capacity will have been installed.

Filtered Water Reservoir

The filtered water reservoir has a capacity of 6,000,000 imperial gallons. It is at sufficient elevation to allow 2,000,000 gallons flowing to the auxiliary pumping station by gravity when the reservoir is full. As the pumps in the auxiliary pumping station are water-driven, this feature will provide for filtered water being supplied to the water takers in the event of any interruption in the supply of electrical power to the plant.

OLD UNIVERSITY HAS FINE RECORD OVER LONG PERIOD

(Continued from page 25)

for those who wished to enter the priesthood.

The college prospered and grew. The old school house was vacated in 1853 and a few years later it was decided to erect a new building on the present site of the university.

Outgrew New Quarters

It was not long, however, before the new quarters became cramped, and additional wings were added in succeeding years. Courses in classics and science were inaugurated, to run concurrently with those in philosophy.

In 1899 the college was raised to the rank of a Catholic University. Faculties of philosophy, theology and ecclesiastical law were added to the commercial, collegiate and arts courses already being given. Provision also followed this act for the establishment of courses in medicine, civil law and civil engineering.

Burnt Out in 1903

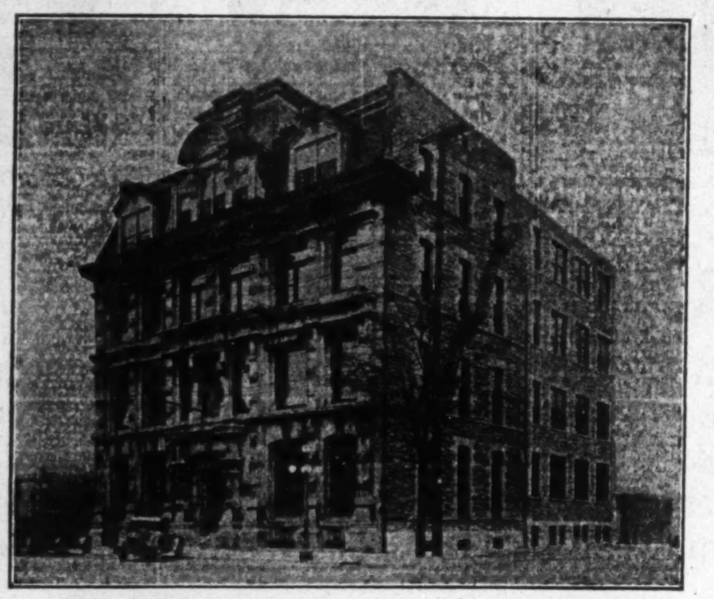
In 1903 the University buildings were completely destroyed by fire. From the ruins arose the splendid building at present occupied by the University. The main building was erected in 1905 and new wings have been added since that time.

HISTORICAL PAPERS REVEAL OTTAWA'S INDIAN ORIGIN

(Continued from page 25)

residence for himself in what is now Major Hill Park. In 1827 the village of Bytown, named after Colonel By, was incorporated, then possessing over one hundred houses. In the same year, the first church, now St. Andrew's, was built. In 1832 the Rideau Canal was completed, thus providing a waterway for trade between Upper and Lower Canada. In 1847 the Village of Bytown was incorporated as a Town, and later on December 18, 1854, the Town of Bytown was incorporated as the City of Ottawa, choosing as its motto the pregnant word "Advance."

In 1857, Her Majesty, the late Queen Victoria, selected Ottawa as the Capital of Canada, this being ratified by the Canadian Parliament in 1859. His Majesty, the late King Edward VII, then Prince of Wales, laid the corner stone of the original Parliament Buildings on July 1, 1860. The first session of Parliament was opened on June 8, 1866, and it was during that session that Confederation became an actuality, and on July 1, 1867, the birthday of the new Dominion was duly celebrated.



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	Capital and Surplus	Estates Under Administration	Savings Accounts	Total Assets
1918	$434,492	$1,060,680	$ 448,335	$ 1,959,793
1922	639,819	3,688,338	1,282,328	5,610,486
1926	719,294	5,908,285	2,708,655	8,336,648
1930	933,690	9,138,215	5,146,249	15,218,670

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OTTAWA TRAMS MAKE PROFITS IN HARD TIMES

Ottawa Electric Railway Survives Difficulties of Industry

HAS LONG RECORD

Covers All Charges With Margin to Spare—Dividend Still Deferred

Ottawa Electric Railway Co., subsidiary of Ottawa Traction Co. is one of the few traction utilities in Canada which has been able to survive the onslaughts made in recent years by increased operating costs, and automobile competition.

Though earnings have been affected to some extent, they have been sufficient in recent years to cover bond interest, depreciation, and other charges by a fair margin. Dividends on the capital stock, however, were discontinued in 1928.

Raised Tariff in 1928

In that year earnings showed a sharp decline and the company applied for and was granted permission to increase its tariff. The present rate is a seven-cent fare as compared with a five-cent fare prior to 1928.

Following introduction of the higher fares, earnings have shown a tendency to increase though in 1930 they fell below those of the previous year.

Last year, net revenue at $529,507 was sufficient to take care of all charges and leave a net profit of $91,121 enabling the company to carry forward a balance of $334,911.

In view of unsettled business conditions, however, directors decided that dividends on the capital stock could not yet be resumed. Prior to 1928 the company's dividend record was excellent. A disbursement of 8 per cent was made from 1893 to 1904, 12 per cent was paid from 1906 to 1910, while 15 per cent was distributed annually between 1912 and 1925.

Reorganized Capital Stock

During the past year the company effected a reorganization of its capital stock. By special legislation the authorized capital of the railway company was altered from 40,000 shares of $100 par value to 40,000 shares without par value. After effecting various adjustments, the issued capital stock of the railway company is now shown on its books, at $1,377,898.

Though there is no investment interest in Ottawa Electric Railway Co. as far as the public is concerned, Ottawa Traction Co., the holding organization, has bonds and stock outstanding in the hands of the public.

Parent Deferred Dividends

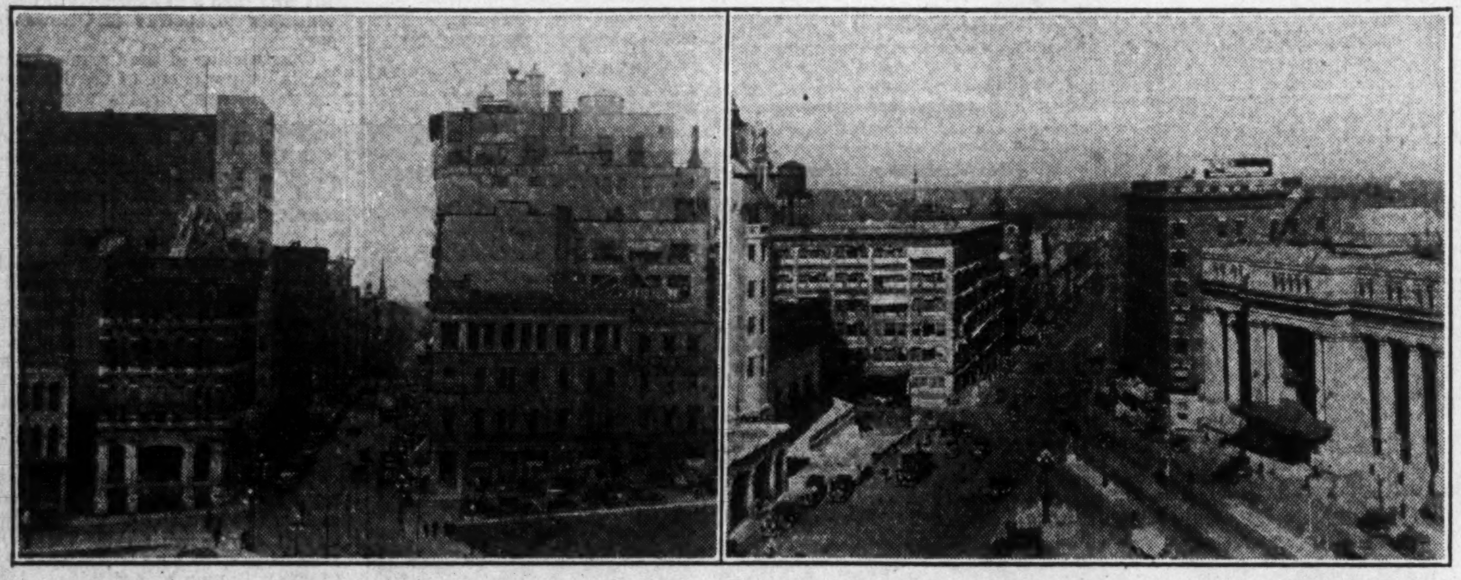
While the common stock of the latter has a dividend record extending over a period of years, disbursements ceased in 1928 when the subsidiary company, Ottawa Electric Railway, suspended dividend payments. This naturally found reflection in the situation surrounding the parent company, which derives all its revenue from dividends received on its holdings in Ottawa Electric Co.

Ottawa Electric Railway Co. operates, with complete equipment, about 26.5 miles of double track in Ottawa and surrounding territory. A substantial part of the power used by the electric railway system is generated by the company at its own hydro-electric station at Chaudière Falls. The balance of power used is purchased under favorable contracts from the Ottawa Electric Co.

The traction utility also has an up-to-date auxiliary steam plant, which is utilized as a stand-by.

The city has the right to acquire the properties of the company at the end of any five-year period subsequent to August, 1923, at their actual value as defined in the franchise granted in 1893. The transaction is subject to settlement under the provisions of the Ontario Arbitration Act, in the event of disagreement.

Millions in Produce Distributed Through Ottawa Merchandise Channels



These views show two of the principal retail shopping streets in Ottawa Sparks and Rideau. Here will be found representatives of the majority of Canadian manufacturers, whose products are known from one end of the Dominion to the other. With its tributary population of over 250,000, Ottawa is to be reckoned on in any national distribution campaign.

Ottawa Exhibition Draws Big Crowds

An outstanding annual event in Ottawa is the exhibition conducted by the Central Canada Exhibition Association which, in reality, is a civic enterprise.

This exhibition, which is the second biggest annual affair of its kind in the Dominion, attracts a large number of visitors to the capital each year. Livestock, poultry, agricultural products from the famous Ottawa Valley, the latest models in the automobile show, together with all the other attractions which go to make up a large exhibition, are to be found in the spacious grounds occupied for six days and nights by the fair.

Exhibition buildings owned by the city are valued at $2,000,000.

MODERN METHODS MARK ACTIVITIES OF OTTAWA DAIRY

Model Dairy Farm Near City is Feature of Property

A factor in the industrial life of Ottawa is the Ottawa Dairy, a subsidiary of the Borden Co. since January, 1928. For 30 years Ottawa Dairy has been serving the capital community of Canada, and in that time its growth has been substantial.

A feature of Ottawa Dairy, indeed, of the territory surrounding Ottawa, is the company's model dairy farm at City View, 6 miles from Parliament Hill. Here three hundred head of Ayrshire cattle are housed in modern stables, the whole ensemble providing a proving ground and an educational force in dairy farming in the valley.

Provides High Grade Milk

This nine hundred acre establishment also provides the company with its nursery milk, which sells at a premium price, and is purchased in homes where there are babies, invalids, or others requiring an especially rich certified product.

Ottawa Dairy employs about three hundred people in Ottawa. It has a large and thoroughly modern plant which was rebuilt and completely re-equipped a few years ago. Beside the dairy stands the ice cream plant, also rebuilt and re-equipped and capable of turning out under full pressure 15,000 gallons of ice cream in 24 hours.

Wide Distributing Service

The company has a distributing wagon on every street in Ottawa and Hull, every morning the year around. It sells cream, milk, ice cream and butter. There are hundreds of farmers shipping milk to Ottawa Dairy in addition to those who supply cream only.

The ice cream is sold over a territory stretching for 150 miles from Ottawa in different directions. As far as North Bay in the north, as far as Napanee, and Belleville in the west and as far as the suburbs of Montreal in the east, the company distributes this product.

Holds Technical Control

Complete technical control of quality of the milk supplied by Ottawa Dairy is assured through a laboratory recently re-equipped. Bacteriological analyses and chemical analyses for fat contents, etc., are continuously conducted.

Ottawa Dairy controls Cornwall Dairy Products, which carries on a similar business in the town of Cornwall, on the St. Lawrence River. Besides operating a retail milk business, Cornwall Dairy Products manufactures condensed and powdered milk as well as cheese.

Ottawa's Power Supply Constitutes Major Asset

Power is described as the handmaiden of industry. During the past decade or so, it has become more than a handmaiden—a dominant factor in the exploitation of natural resources. Proof of this assertion is seen in the development of pulp and paper, electro-chemical and electro-metallurgical industries. Much stress, therefore, has come to be laid upon the availability of continuous and low cost power. In this respect Ottawa is more than fortunate, for it is the centre of hydro electric developments aggregating over 850,000 horsepower, with a potential ultimate installation in excess of 1,500,000 horsepower. Not all of this power is directly available to the metropolitan area of Ottawa, but sufficient is already assured to take care of domestic and industrial demands for many years to come. Further the cost to the consumer is so low as to prove a decided magnet to those industries dependent upon low cost power.

Analysis of the power resources—both developed and undeveloped—of the Ottawa district, shows the area divided off into three main divisions—Ottawa River, Gatineau River and Lievre River. The following list clearly illustrates the magnificent power resources of the area, the developed sites all being within short transmission distance of the City of Ottawa.

ESTIMATE OF AVAILABLE POWER IN OTTAWA DISTRICT, 1930

Location	Developed Power	Undeveloped Power	Available
Ottawa River			
Bryson	50,700	......	50,700
Chaudiere Falls	49,700	9,200	58,900
Chats Falls	200,000	......	200,000
(At present being developed)			
Carillon Falls	......	500,000	500,000
Deschenes	3,368	42,632	46,000
Gatineau River			
Paugan Falls Chelsea Farmers Rapids	436,000	92,000	528,000
Lievre River			
High Falls	120,000	......	120,000
Total	859,768	643,832	1,503,600

CRAIN PRINTERS HAS BUILT ALONG NATIONAL LINES

From Modest Beginnings Company's Growth Has Been Striking

Growth of Crain Printers Ltd., in the past two decades can be numbered among the outstanding instances of industrial development in Ottawa.

It is over 34 years since Rolla L. Crain came to Ottawa and started in business for himself with two small presses. Today, the plant is equipped with 12 Webb and nine automatic presses for the special and five others for commercial work, having a total daily output of 2,500,000 forms each normal working day.

Has Specialized Equipment

At the plant are employed upwards of 100 persons and equipment embodied in the establishment gives the company claim to rank among the most highly specialized printing units in Canada.

While there have been several corporate changes in the name of the company, it has been the unchanging spirit of Mr. Crain which has brought the business to its present status.

Began Operations in 1894

He came to Ottawa about 42 years ago and in 1894 was able to hang out his own shingle in a small way. In 1896 the plant was increased to four jobbers and one cylinder press, and a new site was obtained.

In 1900 additional machinery was installed and the business was incorporated under the name of the Rolla L. Crain Co. Eight years later the firm amalgamated with Copeland-Chatterson Ltd., under the title of Copeland-Chatterson-Crain Ltd. This connection lasted until 1912, when affiliations were severed.

Formed in 1912

A new company called Crain Printers Ltd., the present name, was formed and located at 826 Bank Street, remaining there until 1918. At that date another property was purchased, embodying about 40,000 sq. feet of floor space and at this site, operations are carried on today.

While operations include all kinds of printing work, standard office and factory forms in the roll, continuous and flat are produced. Some of the presses have been on some special occasions made by Mr. Crain himself.

Maintains Branch Offices

Branch sales offices are maintained by Crain Printers, Ltd., Montreal, Toronto, Winnipeg and Vancouver, a reflection of the steady expansion of the business.

Employees work under sound labor conditions. Sanitation and cleanliness are observed in a keen degree, while the company operates a group pension system, whereby at 65 an employee may retire with an assured future.

Growing from a small unit doing a local business, Crain Printers, Ltd., has expanded its operations until they are now on a national basis. The company has grown with Ottawa and, indeed, with the Dominion itself.

The Central Canada Exhibition is held in Ottawa during mid-August. This is one of the largest expositions on the continent.

Can. Hydro-Electric Identified With City

Great Power Producer Maintains Executive and Head Offices in Ottawa—Has Huge Stake in Surrounding District

Canadian Hydro-Electric Corp., whose executive and head offices are in Ottawa, has expanded its operations in recent years until today it is one of the largest producers of hydro-electric energy in the Dominion. Installed capacity totals 622,600 horsepower.

The company has been closely identified with Ottawa and surrounding district since its inception in 1926. Though the company's activities, through its operating subsidiaries, are also carried on in New Brunswick, by far the greatest of its total production is generated within a comparatively short distance of the Capital City.

Is Holding Organization

The company is a holding organization controlling Gatineau Power Co., Saint John River Power Co., and Gatineau Electric Light Co. The extent of the company's output is illustrated by official returns for 1930, which reveal total production at 2,503,299,000 kw.h., an increase of over 440,000,000 kw.h. as compared with the previous year.

Gatineau Power Co., chief operating subsidiary of Canadian Hydro-Electric Corp., now has 136,600 h.p. installed on the Ottawa River and tributaries. This total comprises a 50,000 h.p. development at Bryson on the Ottawa River, two developments at Chaudiere of 14,100, and 22,500 h.p., respectively, and other developments on tributary rivers.

Developments on Gatineau

On the Gatineau River, since its development programme started four years ago, the company has installed in its Farmers, Chelsea, and Paugan plants 14 generators, totalling 426,000 h.p.

In addition, Gatineau Power is adding another 34,000 h.p. unit to its Paugan plant, which will raise the installed capacity of this unit alone to 238,000 h.p.

Small Additional Cost

As the plant was built to house eight units, no extension of the power house structure will be required, and only the cost of the machinery of the new unit will be involved, resulting in relatively low and additional capital cost per horsepower.

Following are details of the power developments of Gatineau Power Co.:

Plants—	Installed Capacity
Gatineau River:	
Farmers	96,000 h.p.
Chelsea	136,000 h.p.
Paugan	204,000 h.p.
Corbeau Rapids	3,300 h.p.
Ottawa River:	
Chaudiere	36,600 h.p.
Bryson	50,000 h.p.
Gordon Creek:	
Kipawa	24,000 h.p.
Other Ottawa River tributaries:	
Misc. plants	12,700 h.p.
	562,600 h.p.

Physically Interconnected

An interesting feature of the Gatineau and Ottawa plants is the fact that they are physically interconnected, with the exception of 40,000 h.p., and operate as one hydro-electric generating property.

Canadian Hydro-Electric Corp.'s subsidiary in New Brunswick has an installed capacity of 80,000 h.p. Operations of this unit have been affected by a shortage of water in recent months and indications are that steps will be taken to increase the production facilities at this point.

Sound Long-Term Contracts

Operating subsidiaries of Canadian Hydro-Electric Corp. have several long-term contracts with the Ontario Hydro-Electric Power Commission. Gatineau Power Co. signed a contract with the commission three years ago, requiring the delivery of primary power in the aggregate from 250,000 h.p. on Oct. 1, 1928, more than 480,000 h.p. beginning Oct. 1, 1931, and ultimately to a total of 505,000 horsepower.

Up to Dec. 1, 1929, deliveries were being made at the rate of 250,000 h.p. In October of that year deliveries were increased to 325,000 h.p. and in December last the rated deliveries had attained 450,000 h.p. There are a number of other contracts.

Capacity is Sufficient

Capacity is sufficient to produce the total amount of power contracted to be delivered, has already been constructed and is in operation. Pending full delivery, the temporarily available surplus power is being sold at substantially lower rates for steam purposes, so that increase in contract delivery results in increases in revenue with practically no increase in operating expenses and fixed charges.

An interim report issued by Canadian Hydro-Electric Corp. showed that during the 12 months ended Sept. 30, 1930, the company received a gross income of $8,201,650 as compared with $6,855,778 in the calendar year of 1929.

Profits Were Higher

After deduction of prior charges there remained a net operating income of $6,873,755 in the year ended September 30 last. This was approximately $1,160,000 more than in the fiscal year ended Dec. 31, 1929.

All of the common stock of the company is held by International Hydro-Electric System, a direct subsidiary of International Paper and Power Co. Outstanding in the hands of the public is an issue of first preferred stock.

Subsidiaries Have Bonds

While Canadian Hydro-Electric has no funded debt, its subsidiaries have bonds to the value of over $90,000,000 in the hands of the public.

The most recent financing to be carried out by any of the company's subsidiaries was an offering of $8,500,000 of Gatineau Power Co. first mortgage five per cent bonds which were sold in March, 1931. The proceeds of the issue were used to purchase transmission and distribution systems of Gatineau Electric Light Co. and to reimburse the company generally for capital expenditures and other corporate purposes.

NORTH BAY WAREHOUSE
OTTAWA WAREHOUSE
KINGSTON WAREHOUSE
ALGOMA
PRESCOTT
SUDBURY
GLENGARRY
NIPISSING
STORMONT
TEMISKAMING
DUNDAS
PARRY SOUND
GRENVILLE
COCHRANE
LEEDS
RENFREW
FRONTENAC
PONTIAC
LENNOX ADDINGTON
HULL
HASTINGS
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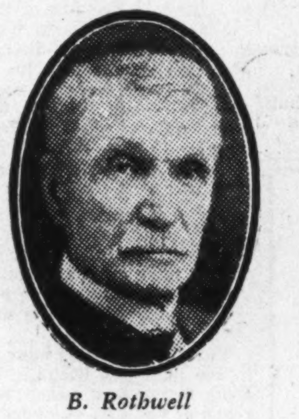
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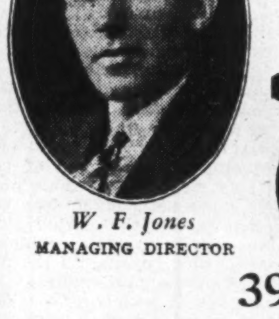
OUR RESPONSIBILITY

WE TAKE pride in performing one of the most important and most exacting of public services. For over thirty years we have supplied milk to the citizens of Ottawa. Our methods of handling this health-giving food have been and are in advance of the exacting requirements set up by the Department of Health.

Ottawa Dairy occupies an important place among those industries of which the city is justly proud. Approximately 800 citizens are shareholders and hence partners in the company. We give steady employment to upwards of 330 people. The farmers of the district during 1930 benefitted to the extent of $1,000,000.00 which we paid to them for milk. At the same time, residents of the city received their supply at as low a cost as any known city of the size.

We are well equipped to render dependable service to our ever-increasing clientele.


W. F. Jones
MANAGING DIRECTOR

TELEPHONE EXCHANGES
Milk —Queen 1188
Ice Cream—Queen 161

"Ottawa Dairy" LIMITED

393 SOMERSET STREET, OTTAWA

Experimental Farms Have Potent Bearing On Agricultural Life

Central Farm of System is Located in Ottawa

COMPREHENSIVE JOB

Research and Experiment Carried Out at Capital is Vital Factor

The Central Experimental Farm at Ottawa is a potent factor in the agricultural life of Canada, for here is the headquarters of the Dominion Experimental Farms.

The Central Farm at Ottawa has an area of 825 acres and represents one of the most comprehensive efforts to aid the progress of agriculture ever undertaken. It is composed of several divisions which include Animal Husbandry, Field Husbandry, Horticulture, Cereals, Forage Plants, Economic Fibre Production, Poultry, Bees, Tobacco Chemistry, Botany and various other phases of theoretical and practical agriculture.

Undertakes Research Work

The preliminary work of research and experiment is originated in these divisions, and is extended in its more practical aspects to the branch farms and stations throughout Canada.

The preliminary investigations leading to the establishment of the Experimental Farms branch of the Department of Agriculture began in 1884. The movement then started has resulted in the Dominion Experimental Farms System which stretches from the Atlantic to the Pacific, and is claimed to be the most comprehensive system of its kind in the world.

Act Gave Authority

An Act was passed in 1885 which cited the main lines of investigation to be pursued. Within two years of the passing of the Act, the five farms had been selected and were in practical operation. They were: the Central Farm at Ottawa, and Branch Farms at Nappan, N.S., Brandon, Man., Indian Head, N.W.T., and Agassiz, B.C.

At the time of the establishment of the Experimental Farms, the value of good seed and suitable varieties were little understood, systematic rotations were very little followed, good cultural methods were neither studied or practised, the use of fertilizers was not fairly understood—in fact agricultural education and practice in the Dominion were in their infancy.

Facts Were Realized

When these facts are realized it will be readily understood how necessary it was that the simple yet fundamentally essential elements leading toward agricultural stimulation should be studied and the results made known as widely as possible.

The comparatively advanced state of Canadian agriculture and Canadian agricultural investigations as we have them today, is largely due to the patient work upon simple basic problems, as carried on by the pioneer agricultural investigators of the Experimental Farms.

Expansion Was Rapid

The year 1911 marked the beginning of a more rapid expansion of the Experimental Farms System. This was made necessary by the increased settlement in Western Canada and the greater attention being paid to agricultural investigation and effort on the part of various institutions throughout Canada and other countries.

During Dr. Grisdale's régime as director, therefore, several new divisions were subdivided, while the number of experimental farms was increased from nine to twenty.

Grisdale Was Promoted

When Dr. Grisdale left the position of director in March, 1920, to take the higher post of Deputy Minister of the Department of Agriculture, he was succeeded by Mr. E. S. Archibald, B.A., B.S.A., who had served as Dominion Animal Husbandman under Dr. Grisdale for several years, and for nearly a year had been Acting Director of Experimental Farms in addition.

Since that time, war and post-war conditions have not permitted the opening up of new branch farms as rapidly as heretofore, only one more farm having been established, namely at Swift Current, Saskatchewan, and the Tobacco Stations at Harrow, Ontario, and Farnham, Quebec, raised to the status of Experimental stations.

Systematize Work

The main efforts of the present director and his staff have been devoted to systematizing and broadening the various lines of experimental work, and the equipping of the new branch farms for carrying on full lines of investigation—a huge task which is by no means completed.

At the present time over 2,000 main experimental projects are being studied on the various farms and most of these include a number of sub-projects.

The Experimental Farms system comprises the Central Experimental Farm at Ottawa, twenty-three branch farms and stations, one horse-breeding station, and eight experimental sub-stations.

Location of Farms

The branch experimental farms and stations are located as follows: In Prince Edward Island, at Charlottetown; in Nova Scotia, at Nappan and Kentville; in New Brunswick, at Fredericton; in Quebec, at Cap Rouge, Lennoxville, Ste. Anne de la Pocatière, La Ferme and Farnham; in Ontario, at Harrow and Kapuskasing; in Manitoba, at Brandon and Morden; in Saskatchewan, at Scott, Swift Current, Rosthern and Indian Head; in Alberta, at Lethbridge and Lacombe; in British Columbia, at Agassiz, Summerland, Sidney and Invermere. The Experimental Fox Ranch is located at Summerside, P.E.I.

The experimental sub-stations are located in the thinly settled districts of northern Alberta, the Northwest Territories, and the province of Quebec, and are conducted with the view to ascertain the northern limits of agricultural production in the Dominion. These sub-stations are located as follows: In Alberta, at Beaverlodge and Fort Vermilion; in the Northwest Territories at Fort Providence, Fort Smith, Fort Resolution; in British Columbia at Salmon Arm; in Yukon Territory, at Swede Creek; and in Quebec, at Betsiamites.

Formed Connecting Link

As a connecting link between the experimental farms and the farmers of Canada, there has been established a system of illustration stations, numbering 149 at the present time, where outstanding results of experimental work are demonstrated on farms owned and operated by individual farmers.

At the Central Farm, Ottawa, the headquarters of the system, are located the office of the director, as general administrative officer, and fourteen divisions, each under the control and supervision of a divisional chief. The divisions are as follows: animal husbandry, field husbandry, horticulture, cereals, forage plants, poultry, bees, tobacco, economic fibre production, chemistry, botany, agricultural bacteriology, illustration stations, and extension and publicity.

In these divisions originates the preliminary work of research and experiment, which is afterwards extended in its more practical aspects to the branch farms and stations. The results of the work throughout the system in any particular line are then collated and made public.

C.P.R. Is Popular With Fixed Trusts

The common stock of Canadian Pacific Railway Co. leads all other Canadian stocks in popularity as a sound investment medium for fixed trusts, it is shown by portfolios. This stock is, of course, included in the portfolios of all of the purely Canadian fixed trusts. Many of the trusts originating in the United States do not include Canadian stocks in their portfolio but in practically every case when a Canadian stock is included it is C. P. R.

Other Canadian stocks that appear in the portfolios of fixed trusts offered in Canada with sufficient frequency to include outstanding merit are as follows: Bell Telephone Co. of Canada, Imperial Oil, Montreal Light, Heat & Power Consolidated, Ogilvie Flour & Milling Co., Shawinigan Water & Power Co. and Steel Co. of Canada. A number of other stocks appear in one or two of the Canadian trusts.

FAMOUS CARILLON GIVES FINE VOICE TO PEACE TOWER

Chimes First Heard on Celebration of Canada's Jubilee

FIFTY-THREE BELLS

Big Tenor Bell Used by Clock Ranks Among First 30 Bells in World

When Parliament decided to rebuild the parliament buildings in Ottawa it was planned to front the new building with a tower more dominating than that which was included in the old building, destroyed by fire in 1916. The new tower has been given a voice in the form of a carillon comprising 53 bells.

This carillon is one of the features of the capital and its music was first heard in July, 1927, on the occasion of the celebration of the sixtieth anniversary of the Confederation of Canada.

Has Fifty-Three Bells

There are 53 bells in the carillon, the largest of which weighs 22,400 pounds and is 100 inches in diameter. The weight of the smallest bell is 10 pounds and its diameter is eight inches.

The bells are rigidly fixed on two steel frames, a system of washers preventing the transmission of vibration from bell to frame. One frame, 17 feet in height, supports the 47 smaller bells, a total weight of 15 tons, more or less, and is opposite the upper openings of the bell chamber which are directly under the clock dials.

The other frame, 15 feet in height, supports the six larger bells, a total weight of 40 tons approximately, and is opposite the lower opening of the bell chamber directly under the upper opening.

The base of the lower frame is approximately 133 feet above the pavement at the foot of the tower and the top of the upper frame is about 176 feet above the pavement. The total weight of the bells is 120,621 pounds. The combined weight of bells, frames and fittings is about 165,000 pounds.

Mechanism is Simple

The keyboard is in a completely enclosed cabin between the upper and lower bell frames. The mechanism is as simple as that of most carillons, there being no electric or other appliance to assist the touch. To play the instrument, the keys are usually struck with the closed fist; considerable force is required, especially for the heavier bells.

On the lighter bells, two notes may be struck with one hand, a span of one or two notes being made between the thumb and four fingers. The feet are employed to play the heavier bells by means of pedals coupled to the keys in the simplest fashion. The music is harmonic in nature.

The tappers of the 36 larger bells strike the inner surface; those of the 17 smaller bells, the outer surface. The weight of the largest tapper is 504 pounds.

To lighten the touch of the heavier bells, counterweights are applied. To keep the action rigid for the smaller bells, there are springs, increasing the tension on the connected wires. This to some extent equalizes the touch throughout the whole register, though the touch of the deeper toned, slower-speaking bells is, quite rightly, heavier than that of the others.

Has Interesting History

The history of the carillon is interesting. It was developed in Belgium and Holland gradually from 1400 to 1700. At first it was merely the elaborate chiming apparatus of large tower clocks; then with the addition of the keyboard, it became a delicate instrument requiring skill and virtuosity to perform upon it.

Carillons remained pretty well in Belgium and Holland until the close of the Great War, the art of accurate bell tuning being lost from 1800 until within the last 20 years. In 1922 the Belgian Government established a school of the carillon art at Mechline. The same year marked the inauguration of the first actual carillon outside of Europe at Toronto.

In the Peace Tower is also located the great clock. The four dials are each fifteen feet, nine inches in diameter. Their centre is 209 feet above the average ground level in the City of Ottawa and 400 feet above the Ottawa River.

The hour hands are each 9 feet long and the minute hands each 5½ feet long. They are operated by an electrically driven mechanism placed just below the clock dials. This mechanism is controlled by the master clock of the building which in turn is regulated by the chronometer in the Dominion Observatory at the Experimental Farm.

Every quarter hour the time is marked upon four bells by the Westminster Quarters, the time made famous by its use in the tower of the Imperial Houses of Parliament in London.

The hour note is struck upon the largest bell in the Carillon. Separate tappers from those of the Carillon, placed on the outside of the bell, sound the chimes. The weight of the tapper which sounds the hour is 560 pounds.

Momentous Decision Made Ottawa Capital

But Motion Sponsoring Royal Choice Was at First Defeated in the House by Fourteen Votes

The decision which dictated that Ottawa be the capital of Canada was momentous. It was on the last day of 1857 that Queen Victoria selected Ottawa as the site for the seat of the Canadian Government, although the choice was not finally ratified by Canada's Parliament until the session of 1859.

Prior to 1857 there had been no permanent seat of government in Canada, and the Parliament of the Province of Canada had assembled in Toronto, Montreal, Ottawa, Kingston, and Quebec as circumstances dictated. Competition was naturally exceedingly keen between these five cities for the permanent honor of becoming the capital city.

Each Claimed Honor

Each of the five cities considered they had claim to the honor of housing the permanent seat of government, and each had at least made some preparation, having its ultimate selection in view. In the case of Montreal and Kingston these preparations had gone so far as to include the erection of buildings suitable in dignity for the accommodation of Canada's government.

During this period, Sir Edmund Head was governor of Canada, Sir John A. Macdonald being his principal minister and leader of the government. It was, however, apparently a question too fraught with sectional interest for the Provincial Parliament of Canada to deal with definitely, so the matter was referred to Queen Victoria for decision.

Memorials Were Prepared

Following this move, the mayors of Toronto, Montreal, Ottawa, Kingston and Quebec were each invited to submit to Her Majesty, memorials setting out the claims of their respective cities. These were forwarded, through Sir Edmund Head, for the perusal and consideration of the Queen and her advisers, to assist them in coming to a decision.

As far as Ottawa was concerned, the claims of the city were put forward in a statement prepared by R. W. Scott, mayor of Bytown in 1852, and afterwards Sir Richard Scott. This memorial was adopted in full by the city council and submitted, together with those from the other four cities to the Queen.

Battle Only Begun

When word reached Canada that the choice had fallen on Ottawa, the battle, as far as Canada's domestic affairs were concerned, had apparently only just begun. The motion sponsored by the Government ratifying the Royal choice, was defeated in the House by fourteen votes.

No further steps were taken to have the action of Queen Victoria ratified by the House until the session of 1859 when the motion was again submitted and carried by a majority of four.

Ottawa was selected on its merits, its "political and strategical advantages of location, the magnificence of its site," according to the records, being considerations which carried great weight. At that time the city had a population of about 12,000, which was a fair size in those days, but very far removed from its present prosperous activities.

Cornerstone Laid in 1860

The cornerstone of the first Parliament Building, erected on the site first occupied by the Military Barracks, which came into existence with the arrival of Col. By and his engineers, and now occupied by the present Parliament Buildings, was laid by King Edward VII, then Prince of Wales, on September 1, 1860. The building was completed in 1866.

This structure was first occupied immediately after its completion by the Legislature of the Province of Canada. The first Dominion Parliament following Confederation, occupied the permanent seat of government for its first session in 1867.

Destroyed by Fire in 1916

In 1916 a disastrous fire occurred which razed the buildings to the ground. Out of the ashes has risen a greater structure.

The corner stone of the present Parliament Buildings, which are Gothic in design, was laid on September 1, 1916, by the Duke of Connaught, then Governor-General of Canada. Parliament sat in the new buildings in February, 1920.

Mighty Peace Tower

The cornerstone of the Peace and Victory Tower was laid by the Prince of Wales on September 1, 1919. This tower took nearly ten years to complete and its beauty now proves a magnificent climax to the architectural group of towers and pinnacles on Parliament Hill.

The beautiful Parliamentary Library, one of the finest examples of Gothic architecture in existence, was spared in the fire of 1916. It contains over 400,000 books.

Air-Minded Ottawans Maintain Flying Club

Ottawa has a progressive Light Aeroplane Club.

About seven miles from the heart of the city is located the flying field of the Ottawa Flying Club. The field has an area of about 200 acres; the club has a membership of around 110.

This aerodrome is a licensed airport and in the summer the planes of Canadian Airways land at the Ottawa Flying field with air-mail from Rismouski. Planes pick up mail from in-coming steamers at Rimouski and make the journey to Ottawa in short order thereby saving many hours in the regular mail schedule.

At the field there is equipment for housing and servicing the various machines maintained by the club. These number four Avians while there are several planes privately owned by members.

Instruction in flying is carried out at the field and to date no less than 32 pilots have graduated from the Ottawa Flying Club as qualified pilots.

COLONEL BY GAVE NAME TO VILLAGE ON OTTAWA'S SITE

Rideau Canal Bears Witness to Skill of Great Engineer

The city of Ottawa may be said to owe its existence in the first place to Colonel By and his body of military engineers who created the village of Bytown at the eastern terminus of the Rideau Canal.

The work of construction of this great canal was fraught with many difficulties, and in the light of modern equipment for construction work, the tasks of the engineers, when they first started to build the canal, must have appeared well-nigh hopeless.

Was Gigantic Task

The canal, however, was completed in a satisfactory manner and remains to this day as a tribute to the intrepidity and skill of those pioneers who worked under the direction of Colonel By.

The task was gigantic but the expenses were none the less so. In 1828 the attention of the British Parliament was drawn to mounting expenses incidental to the work of building the canal. The total cost was so staggering that a commission was appointed to examine the books and accounts bearing on the project with the result, it is stated, that Colonel By was eventually censured by the British Government.

Name Not Forgotten

Be that as it may, the work was completed and in such a sound method that it has withstood the test of time. Colonel By has not been forgotten in Ottawa. Though the name of the original settlement to which he gave his own name, has been changed, his work, the Rideau Canal, still remains to bear witness to his labor.

History tells us that John By was born in England, in Sussex County, in 1781. He entered the Royal Military Academy at Woolwich, receiving a commission as second lieutenant in the Royal Artillery on August 1, 1799,

First Visit in 1802

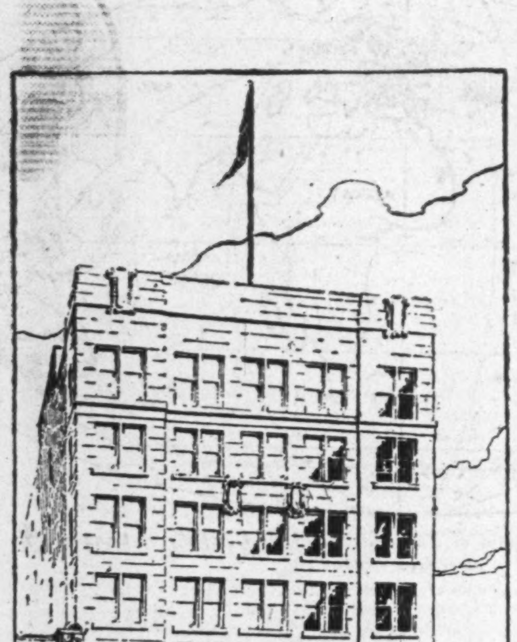
He first came to Canada in August, 1802, spending nearly nine years in this country, and was recalled for active service in the Peninsular War in 1811, taking part in the siege of Badajos in May and June of that year.

He was afterwards in charge of the gunpowder works at Faversham, Purfleet, and Waltham Abbey, England, until October, 1821, in which year he was retired on half pay.

Returned to Canada

In 1826 Col. By returned to Canada having been commissioned by the British Government to construct the line of communiaction by water between Kingston and the Ottawa River, this undertaking being a part of the protective programme of the Government as it was considered that trade and military operations could be safely carried on through such a waterway, separated as it was by a great stretch of Canada from United States territory.

Essential to Industry



As the seat of the Dominion Government and because of its advantages for industry, the progressive growth of Ottawa is assured. Tangible evidence of faith in Ottawa's future is the handsome ten story office building recently erected by The Ottawa Electric Co. as a home for itself and affiliated interests. The upper floors house some of Canada's most prominent firms.

ELECTRICITY

Ottawa enjoys the lowest rates for electric service in Canada.

The service furnished, notwithstanding its low price, is of the highest efficiency. The Ottawa Electric Co.'s three hydro generating stations, backed by two reserve steam plants, and all interconnected with huge developments on the Ottawa and Gatineau rivers, make possible a continuity of operation impossible of attainment in less fortunate communities.

GAS

For manufacturing and industrial processes gas is equally as important as electric power.

An abundant supply of gas of a heating value higher than that prescribed by the Dominion Government is available in all parts of Ottawa, at attractive rates.

The Ottawa Gas Co.'s plant is of the most modern type and the excellence of the service furnished is reflected in the increased use by local industries of this most flexible fuel.

For the benefit of their electric and gas customers the companies maintain a capable and efficient advisory and inspection staff, whose services are immediately available, day and night, throughout the year.

Officers and Directors:

HON. THOMAS AHEARN, P.C.—*President*

F. E. BRONSON—*Vice-President*

T. F. AHEARN, M.P.

GEO. F. HENDERSON, K.C.

D. R. STREET *General Manager*

I. W. KILLAM

W. C. PITFIELD

L. N. POULIN

R. QUAIN, K.C.

W. LYLE REID

THOS. WORKMAN

F. W. FEE *Secretary-Treasurer*

Ottawa Light, Heat & Power Company Limited

OTTAWA CANADA

Controlling The Ottawa Electric Co. and The Ottawa Gas Co.

KEYES SUPPLY CO. SALES MULTIPLY IN PAST DECADE

Business Exceeds $1,000,000 Annually — Wide Area Covered

The fact that sales in 1914 were $12,000 and in 1930 exceeded $1,000,000 is an indication of the progress made by the Keyes Supply Co., automotive and radio wholesalers in Eastern Canada, whose head office is in Ottawa.

An untiring, aggressive merchandising policy, directed from Ottawa as a pivotal point, has brought about the steady growth of this company. Expansion in every division followed its inception, new lines have been added, new territory has been entered and new buildings have been erected to house the company's branches.

Established in North Bay

Especially interesting was the company's invasion of the Northern Ontario. The entrance of the company followed on the very heels of the opening up of roadways in this part of the province by the provincial government.

The company has served that northern area since 1923 when the first North Bay branch was established. In 1930, expansion of business there necessitated erection of a new building which marked another milestone in the company's progress.

Operates Kingston Branch

A branch is also maintained in Kingston, opened in 1927, bringing to dealers and garages in that thriving part of Ontario, benefits of a centrally-located supply depot. The territory served by the Kingston branch extends east to Brockville, west to Trenton, and north to Sharbot Lake.

In Ottawa itself, the company's growth has necessitated several changes and additions to plant, culminating in the erection in 1929 of a large headquarters building which already is being crowded for space.

Had Far-sighted Policies

The Keyes Supply Co. demonstrates the theory of opening the door when opportunity knocks. Although the business started in 1914 was principally an agency for Willard Storage Batteries, a far-sighted management realized the opportunities offered in the wholesale automotive and radio business.

In 1919 a general line of accessories, tires, batteries, and so forth was added to the original stock and from then rapid progress was made.

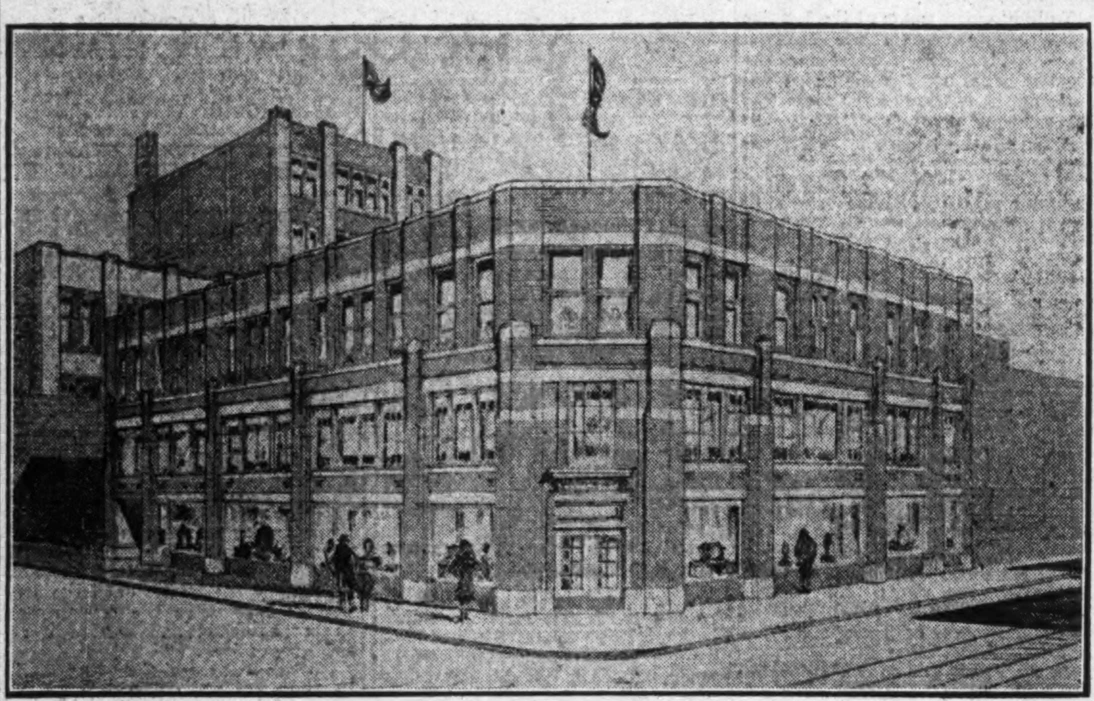
The company was not slow to realize the potentialities of Northern Ontario. As roadways were opened up and a steady influx of automobiles entered the territory, the Keyes company was there to serve them.

Has Many Customers

In the territories covered by the company—the Ottawa Valley, Kingston and district, and the north country centring round North Bay, Keyes Supply has more than 1,500 customers who, by the end of last year, had bought over $1,000,000 of automotive equipment and radio, representing over 22,000 individual shipments.

An important factor in the progress of the company has been the establishment of a machine shop department. This was inaugurated in 1926, the company thereby becoming one of the first five wholesalers in America to recognize the trend of the day in hooking up the machine shop with the jobbing business.

Ottawa Supply House Sets Aggressive Standard



The Keyes Supply Co. with head offices in Ottawa, has built up an extensive business in wholesaling automotive and radio supplies. The company operates in Eastern Ontario and in the district surrounding North Bay, where expansion has followed the opening up of modern highways and the subsequent influx of motor traffic.

Growth of Ottawa Since Confederation

The growth of Ottawa in the 64 years which have passed since Confederation, has been significant. In 1867, the city had a population of 18,700, a taxable assessment of $5,011,840.

Today the population of Ottawa is approximately 127,000. The total taxable assessment last year was $154,324,513.

Following is a comparative table of population and assessment of Ottawa since Confederation, illustrating how steadily the city has grown:—

Year	Taxable Assessment	Population
1867	$ 5,011,840	18,700
1877	13,168,570	25,000
1887	12,763,505	37,020
1897	21,947,635	53,737
1907	41,318,150	76,260
1917	109,695,713	101,549
1927	144,725,892	120,000
1930	154,324,513	127,000

Beach Foundry Builds Along National Lines

Products of Company Have Carried Name of Ottawa Throughout Dominion and to Many Foreign Markets

Beach Foundry Ltd. is an outstanding factor in industrial activity in Ottawa. Its wide production and distribution has taken the name of the Capital to all parts of Canada and many foreign countries; in fact, the name of Beach and Ottawa are almost synonymous.

Beach Foundry manufactures gas, electric and coal ranges and heaters and furnaces of all kinds. Over 300 workers are given employment in the plant which is one of the largest and most modernly equipped units of its kind in Canada. Branches are operated in Winnipeg and Vancouver, Toronto and Calgary, while warehouses are maintained in Quebec, Three Rivers, and Windsor. A substantial export business has been built up and shipments are made to many parts of the world.

Has Consistent Growth

The history of the company is one of consistent growth. Though Beach Foundry was established in 1894 in Winchester, Ont., operating under the name of B. C. Beach & Co., the real expansion of the company dates from its establishment in Ottawa 17 years ago.

The business in Winchester was carried on in a small way. During the first nine years it gradually grew from a local retail manufacturing business to a local wholesale business, shipments being made to points in eastern Ontario only.

Acquired Provincial Charter

In 1903, the organization had developed to such an extent that a provincial charter was taken out. Business increased steadily and in a few years outgrew the capacity of the plant. Winchester, being located on only one railroad, was considered a poor location for a growing business, consequently no plant extensions were made and the company awaited an opportunity to secure a better location.

This opportunity presented itself early in 1914 when it took over the Butterworth Foundry Co. in Ottawa. The capacity of this plant was approximately three times that of the Winchester plant and business from year to year increased from 25 to 50 per cent.

Erected New Plant

In 1921, a new plant with a floor space of 80,000 square feet was erected. At this time the entire staff consisted of 75 employees.

In 1923, the company started developing patterns for a complete line of gas and electric ranges, marketing the gas ranges in the spring of 1924 and the electrics in the fall of 1924. So well were the gas and electric ranges accepted by the trade, it was evident that in order to give service, it was necessary to erect an enameling plant. This was built in 1925 and in it was installed up-to-date equipment.

Branches Were Opened

Branches were opened at Winnipeg and Vancouver in 1920, Toronto 1922, Calgary 1925. In addition to operating these branches it was necessary to make arrangements to warehouse goods in Quebec, Three Rivers and Windsor.

Every year since 1924 the steadily increasing demand for Beach products has warranted extensive additions and today the plant is considered one of the largest and most up-to-date of its kind in Canada.

On Piece Work Basis

The plant is bright, efficiently laid out and electrically operated. All work is done on a piece-work basis, salary being paid only for work which passes inspection. The foundry is 92 by 160 feet and is equipped with an electric furnace with a capacity of 72 tons of molten iron per day.

The millroom (department for cleaning casting and rough grinding) is adjacent to foundry and equipped with a battery of rumblers. In this department is also installed a sand blaster which prepares cast parts for enameling. All milled castings, other than those to be sand blasted, are weighed and taken direct to the mounting floor racks for assembly on ranges or stored in racks for polishing or plating.

Mounting Department Extensive

The mounting department consists of seven floors. Every mounter has his own grinding wheel and is never interrupted.

A special department is maintained for the purpose of assembling burners and switch fronts for electric ranges and another for drilling gas range burners and for drilling and polishing manifolds.

Steel Department Spacious

The steel department is spacious, modernly equipped and efficiently laid out. In this department range bodies, high shelves and warming closets are assembled, together with pressed ware such as oven door panels, etc. The range bodies are then transferred to the various mounting floors for fitting and assembly of cast parts, while shelves, etc., are sent direct to cleaning and crating departments.

All steel parts to be enameled must be chemically treated first and this is done in pickle rooms. The department is equipped with electric furnaces (three for steel and two for cast iron) and by the use of conveyors, the system is continuous.

Operate Electric Crane

At the warehouse a siding to the main line of the C.P.R. enters at the north and runs along the west side with four loading doors. This building is 220 feet long and 60 feet wide and is equipped with an electric crane which spans the building, and fitted with an electric magnet for unloading, etc.

Adjoining the end of this shed or between the raw material shed and the nickeling and plating department is the steam heating plant and transformer room. A pattern shop for the building of patterns, carpenter shop and machine shop are also efficiently laid out and well equipped.

In general, the plant covers 260,000 square feet of floor space and is now equipped to handle a $3,000,000 business.

There is an investment interest in Beach Foundry Ltd. Some years ago the company made a public offering of its securities comprising preferred stock and bonds. There are also 17,820 common shares outstanding.

OTTAWA CAR MFG. HAS LONG RECORD IN TRACTION FIELD

Has Executed Orders for Most Street Railways in Canada

Ottawa Car Manufacturing Co. is a pioneer in the manufacture of electric street cars, having produced this type of rolling stock since 1899. Cars bearing the company's trade mark are to be found in practically every city in Canada, where an electric street railway is in operation.

During the past few years, street cars have been built for Ottawa, Regina, Saskatoon, Quebec, Toronto, St. Johns, Nfld., and the Hydro-Electric Power Commission.

Modern Steel Equipment

All these are modern type of steel equipment and embody the latest features of design and construction. While the majority are of the type commonly seen on the city streets, others are an exceptionally large car for interurban use.

In conjunction with their car shop, the Ottawa plant operates a number of departments which produce material to meet not only their own production requirements, but also for shipment to other car manufacturers in Canada for installation in new cars and as replacements to operating companies.

Operates Seat Department

One of these is the seat department, manufacturing seats for street cars and buses which range from the standard car seat to the de luxe air cushion type.

To take care of snow removal and maintenance of lines, combination sweepers and plows, both single and double truck, and combination snow plows, sweepers and tower cars, are also produced, while in cities where local freight is handled over electrically equipped lines, 50-ton electric locomotives are supplied.

Although Ottawa Car does not build rolling stock for steam railroads, they have for some years had the Canadian manufacturing rights for Brill gasoline and Brill Westinghouse gas-electric cars.

These have been supplied to the Canadian National Railways, Canada and Gulf Terminal Railway and Temiskaming and Northern Ontario Railway. They range from 42 feet in length with a 43 passenger capacity to 73 feet in length with a capacity of 76 passengers.

Operates Brass Foundry

A brass foundry is also operated, which supplies bronze castings to the pulp and paper industry. Two new rotary gas furnaces have recently been installed.

Ottawa Car Manufacturing Co. has now entered into the manufacture of the latest form of transportation —the aeroplane. For some time it had been reconditioning and rebuilding the Avro training plane for the Dominion Government and early in 1929 signed a contract with A. V. Roe & Co., of Manchester, England, giving it the sole manufacturing and selling rights in Canada for the well known Avro Avian light aeroplane.

The Royal Canadian Air Force purchased twenty-eight planes of this type to be used for training at Camp Borden, where they are proving a success. The Department of Civil aviation also purchased six planes for distribution to the various flying clubs.

In order to make the production of the Avian self-contained, Armstrong, Siddeley Motors, Ltd., is now associated with Ottawa Car and utilize part of its plant for assembly of the engines installed in the Avian.

Ottawa Has . .

Some of the Reasons Which Make it an Outstanding Community

An area of 5,295 acres.

* * *

A population of over 125,000.

* * *

Its own water works.

* * *

Its own Electric Light System.

* * *

Approximately 27,000 residences.

* * *

Public buildings to the number of 141.

* * *

55 Elementary schools, composed of public and separate schools.

* * *

2 Collegiate Institutes.

* * *

1 Technical School.

* * *

1 High School of Commerce.

* * *

1 University.

* * *

15 Colleges.

* * *

1 Public Library with 4 branches.

* * *

1 Parliamentary Library.

* * *

100 Churches.

* * *

14 Convents.

* * *

18 Charitable Institutions.

* * *

16 Hospitals and Asylums.

* * *

150 Wholesale Houses.

* * *

195 Industrial Establishments.

* * *

3 Daily Newspapers.

* * *

419 Apartment Houses.

* * *

50 Government Buildings, including the Parliamentary Buildings.

* * *

One of the finest museums in the Dominion.

* * *

22 Parks and Squares.

* * *

40 Banks and Branches.

* * *

Over 38,200 Telephones, forming part of the Bell System.

* * *

58 Miles of Electric Street Railway, which averages 118 cars daily.

* * *

224 Miles of Water Mains.

* * *

253 Miles of Concrete Walks.

* * *

166 Miles of Streets, of which 77 miles are paved.

* * *

Over 15,000 Government Employees resident within the city.

LARGE INSURANCE CONCERN EMPLOYS MANY OTTAWANS

Metropolitan Life Head Office for Canada in Capital

With the establishment of the Canadian head office of the Metropolitan Life Assurance Co. in Ottawa in 1924, the city received an important addition to its business life. Further, a few years later, construction of the insurance company's new head office building added another imposing structure to the many fine buildings in the Capital city.

Today, the Metropolitan Life gives employment to several hundred residents of Ottawa. The head office building embodies many noteworthy features and provides fitting accommodation for the company's business, which has assumed such large proportions in Canada in recent years.

Entered Canada in 1872

The entry of the Metropolitan Life in Canada occurred in 1872. Curiously enough, the company opened its first office in the Maritime Provinces. Later on, offices were established in Toronto, Hamilton and other parts of Ontario.

For the first 21 years of its life in Canada, the Metropolitan gave little promise of what was to come. In 1893 the total insurance in force in Canada consisted of 14,136 policies for $1,793,198 of insurance. Its total assets in Canada at that time were $127,000; income was $68,000 and expenditures $41,000. Canadian business in force now totals $393,393,000.

In 1894 an aggressive and intensive development of insurance possibilities of the Dominion, from the standpoint of the Metropolitan, was decided upon. The effect of this drive was immediate. At the end of the first year, the insurance in force had jumped to $4,434,000 and income had just about doubled.

In 1917 it was decided to establish Canada as a separate territory. Growth of the business and possibilities of the future demanded this move. At the end of 1917, total assets in Canada had increased to over $30,000,000, with income amounting to over $9,000,000.

Growth Was Continued

This growth, however, continued at an even more rapid pace. At the end of 1926, assets in Canada had reached over $137,000,000.

At the end of 1930, further expansion had been recorded. Canadian business alone in force totals $994,252,441. During the year, $63,468,000 of new assurance, gross, was written in Canada, and net premium income on ordinary assurance was $20,850,000.

With the establishment of a Canadian head office in Ottawa, rapid expansion was made with the company's Welfare Department. Large sums are spent on this work each year in free nursing service for industrial policyholders, promotion work and educational campaigns.

The head office building in Ottawa includes a hospital and medical rest room, a dental clinic, a large cafeteria, modern ventilation and refrigeration plant and all other concomitants of a modern office building.

Railway and General Printing

Counter Registers and Forms

Labels in Rolls, Packs and Flat

CRAIN PRINTERS LIMITED
OTTAWA—CANADA
Rolla L. Crain — President

Crainforms

THEIR APPLICATION TO TYPEWRITERS AND BILLING MACHINES

"Stops" in billing and order writing cost time and money. If you still use loose forms and carbon paper for invoices, orders, bills of lading and other records, probably half or more of your operator's time is spent in waste motion — in doing by hand what the Crainform Automatic Feed Control will do instantly.

Crainforms not only save time and money by eliminating wasteful stops, but, by the combining of related forms — such as invoices, orders, bills of lading and the like — in one combined set written at one time, in one operation, at one place — they speed up plant and office work and increase accuracy.

Have salesmen at any of our branches consult with you on any of your form problems or demonstrate the Crainform Automatic Feed Control. Any enquiries addressed to our Head Office or branches will receive our immediate attention.

Branch Offices
MONTREAL
TORONTO
WINNIPEG
VANCOUVER

SAVE TIME WITH THE USE OF CRAINFORMS

A Canadian Company — Owned and Operated by Canadians

NORTH AMERICA
SOUTH AMERICA
EUROPE
ASIA
AFRICA
AUSTRALIA
ATLANTIC OCEAN
PACIFIC OCEAN
INDIAN OCEAN

Overseas telephone connections of The Bell Telephone Company of Canada and associated companies.

Speeding the Nation's Business

OTTAWA, the seat of the Federal Government, is the nation's administrative centre.

For the capital city, swift and dependable national and international contacts are a vital necessity.

More and more the telephone is playing a dramatic part in expressing the voice of the people, through the Government, whether it be in matters of diplomatic import, finance, or the transaction of the nation's business at home and abroad.

The universality of the telephone is now an accepted fact. Your telephone rings — and it can be London, Geneva, Paris, Sydney or Buenos Aires on the line.

"Every Bell Telephone is a Long Distance Station."

The Prime Minister—Rt. Hon. R. B. Bennett:

". . . at two o'clock today we were in telephonic communication with one of our members, Sir George Perley, who arrived at Buenos Aires this morning. . . . As indicative of the remarkable triumphs of science in the field of telephony, I may say that we were able to hear him just as clearly as if he had been speaking to us in this chamber."

—Hansard, March 13, 1931.

THE BELL TELEPHONE COMPANY
OF CANADA, LIMITED

B. A. BANK NOTE HAS CONTRACT POSTAL STAMPS

Supplies Entire Needs of Post Office Department

PLANT IS ENLARGED

Production of Millions of Stamps Requires Fine Equipment and Exacting Care

Activities of the British American Bank Note Co. received a considerable stimulus in 1929 when the company was awarded the contract for postage stamps by the Dominion Government. Today, the company manufactures all postage stamps issued in Canada, while it also undertakes a substantial volume of other government, provincial and industrial engraving work.

From its earliest days the British American Bank Note Co. has done work for the government of Canada, engraving the paper for various bond issues, and at different periods in its history, Dominion notes, revenue stamps and the stamps used by the Post Office Department.

Has Diversified Output

In addition to this, the provinces, many municipalities, corporations, railways and banks have made use of the services of the company at one time or another.

It was in 1866 that the British American Bank Note Company was formed. The first office of the company was in Montreal with an office in Ottawa, but with the steady advance in government contracts, in 1888 the plant was moved to Ottawa.

In 1928 it was necessary to add to the unit, doubling its floor space, and when the contract for postage stamps was secured in 1929, further additions were necessary, increasing the establishment by one-third.

Has Interesting Records

In the company's records are to be seen some unusual bonds, recalling various enterprises carried out in the past by corporations. For instance, there is a £100 denomination bond issued to finance construction of the Intercolonial Railway. Another, a land grant bond of the Canadian Pacific Railway issued in 1881, its expiration date 1931, recalls the early days of building Canada westward.

Of particular interest to residents of Ottawa is a first mortgage bond of the Canada Atlantic Railway, the road built by the late J. R. Booth. This was issued in 1881, to expire in 1901.

Growth of Canadian Stamp

In connection with the company's stamp contract, it is interesting to glance back over the development of Canadian philately. The first Canadian stamp was designed by Sir Sanford Fleming. This stamp was engraved with a beaver, significant of the fact that in those days a beaver skin was the standard of trade.

Among stamps of other value, the picture of Jacques Cartier was seen. Later a portrait of the head of Queen Victoria adorned the postage stamps of the day, changing from time to time during Her Majesty's long reign Later came the King Edward issue and then the King George.

Special Issues Designed

Occasions such as the Queen Victoria's Jubilee and the Quebec Tercentenary have been commemorated by the issue of special stamps.

Much artistic talent and careful painstaking work enters into the preparation for printing of stamps. Steel engraving requires a high degree of skill and it is from these fine steel plates that stamps are printed in large quantities, which are turned over to the government for distribution.

British American Bank Note Co. is another example of successful industrial enterprise in Ottawa. It has built up its present organization over a long period of years and the skill of its workmen has been developed through extended service at a work which entails a miximum of efficiency and skill.

Quality in engraving is a vital factor, the successful record of the company is an earnest of the work executed at the plant of the British American Bank Note Co.

Winnipeg Heating System Plans May Benefit Vickers

From Our Own Correspondent

MONTREAL.—Construction will be started on the extension of the central heating system of the Winnipeg Heating Co. as soon as weather conditions permit, according to B. W. Parker, vice-president of the Northern Public Service Corp. and the Winnipeg Heating Co. The erection of the necessary plant and mains will involve an immediate expenditure of $1,500,000 and approximately 1,000 men will be employed on the work.

It is to be expected that this work will prove of benefit to Canadian Vickers, which in the past has supplied Kidwell boilers for the Winnipeg central heating system.

Two Attractive Canadian Municipal Issues

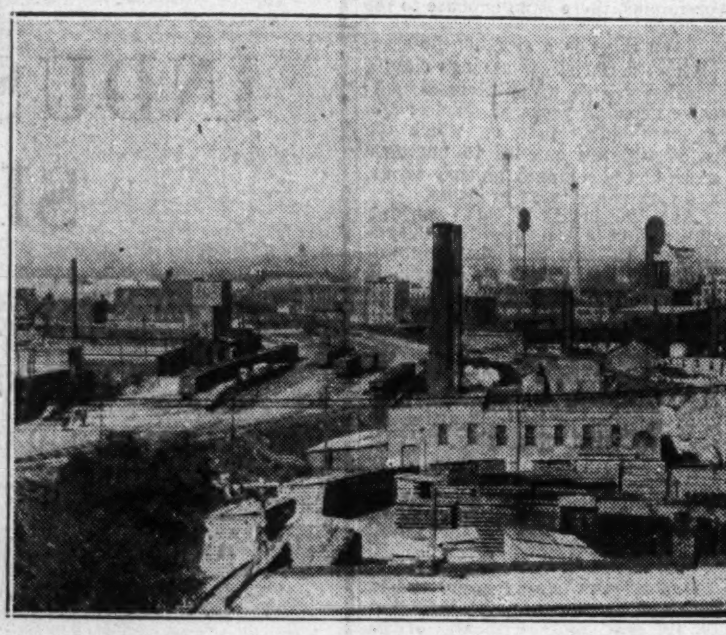
City of Quebec, Que.
4½% Sinking Fund Gold Bonds
Due May 1st, 1961.
Price: 100.50 and interest, yielding over 4.46%.
(Plus Transfer Tax.)

City of Vancouver, B.C.
5% Sinking Fund Gold Bonds
Due January 15th, 1970.
Price: 106.75 and interest, yielding 4.62%.
(Plus Transfer Tax.)

These issues offer an excellent opportunity to obtain sound Canadian securities at favourable prices.

Wood, Gundy & Company
Limited
Ottawa Electric Building—Ottawa—Tel. Queen 1464
Toronto Montreal Winnipeg Regina Calgary Vancouver
London, Ont. Hamilton Ottawa New York London, Eng.

Chaudiere—The Industrial Heart of Ottawa



In the foreground is the steam reserve plant of the Ottawa Electric Co.; immediately behind and to the right are the mills and pulp piles of the Bronson Co. In the middle distance is one of the Ottawa Electric Co.'s three hydro plants, and across the background are seen the mills and buildings of J. R. Booth Ltd.

Ottawa Power Grows; Survives Competition In Capital Metropolis

Company Continues Record of Expansion in Past Years

Ottawa Light, Heat & Power Co. provides an interesting illustration of how a privately-owned company can survive and, indeed, progress, in face of competition from a publicly-owned body.

The company is a holding organization controlling two operating subsidiaries, Ottawa Electric Co. and Ottawa Gas Co. Both these subsidiaries have been in operation for many years, the electric company being formed in 1894 and the gas company in 1854. It was not until 1906, however, that Ottawa Light, Heat & Power Co. was formed to obtain control of the properties.

Hydro Offered Competition

When the city of Ottawa undertook to operate a distributing plant of its own in the form of the Hydro Electric Commission of Ottawa, the privately-owned company was faced with severe competition. Dire predictions were made regarding the outlook for both bodies but, strangely enough, time has proved that there is room in the city for both organizations.

Ottawa Light, Heat & Power, nevertheless, was forced to undertake aggressive measures to enable it to maintain its position. That it has been able to show successive increases in earnings, pay its dividends and maintain its properties in sound condition, is a credit to the sane policies of its management.

One advantage that the publicly-owned Hydro had at the start was the fact that it is a retailer of power only; that is, it purchases blocks of power and then distributes it.

Ottawa Light, Heat & Power, on the other hand, develops its own energy and has had to scrap its plant at least three times in order to keep pace with newer installations and developments in the hydro-electric field. Naturally, the local Hydro has not had to provide in its charges for costs such as these.

The Ottawa Electric Co. generates practically all its own power requirements at the Chaudiere Falls on the Ottawa river, only a short distance from the business centre of Ottawa. The development there is controlled by four consumers of power therefrom and the right to use the water in proportion to the individual requirements is leased from the government at a nominal price.

At this point the company has three hydro-electric plants with an aggregate installed capacity of nearly 13,000 h.p. A modern steam power station of 6,300 h.p. is also owned but is only operated in case of shortage of water or other emergencies. In addition, the company purchases under contract, a minimum of 15,000 h.p. as surplus power from other local producers.

The other subsidiary, Ottawa Gas Co., has made progress in recent years. Increasing consumption of electricity for heating purposes naturally has had its effect on the output of gas, but the company has adopted aggressive measures to widen the scope of its output.

Gas was introduced into commercial establishments for many processes; for domestic heating, automatic ovens in large bakeries, and other industrial uses.

In 1930, net profits of Ottawa Light, Heat & Power Co. amounted to $493,593 as compared with $456,245 in the previous year. This showing was considered encouraging in view of the fact that there had been an increase in expenditure of additional power purchased. This was due to operation of the steam power plant at various periods to overcome power shortage caused by particularly low water.

From an investment point of view, the company has a successful record. Dividends at the rate of 5 per cent were inaugurated in 1907 and the current rate of 6 per cent has been maintained since 1915. The company distributes $210,000 each year in common dividends, in addition to $97,500 in preferred dividends.

The gas utility serves about 18,000 customers in Hull and Ottawa through 152 miles of mains, while the plant has a daily manufacturing capacity of 2,000,000 cubic feet. Additional coke ovens have been added in recent years while gas mains sufficient to meet demand for house heating have been extended.

Ottawa Ranks High As Industrial Centre

Latest figures available show that there were 195 industrial establishments in Ottawa in 1928. These industries had an invested capital of $58,207,109 and their production was valued at $61,612,832.

Among the principal industries in the city are pulp and paper, lumber, stoves and furnaces, washing machines, clothing, castings and forgings, street and railway cars, airplane engines, brass and copper products and a wide diversification of other articles.

Every inducement is offered to those seeking to locate their industry in Ottawa. A special industrial site has been set apart for development and the Industrial and Publicity Commission functions with the sole object of furthering dissemination of information regarding the city.

CHATEAU LAURIER ADDS TO LAURELS OF CAPITAL CITY

The Château Laurier has played its part in bringing fame to Ottawa.

From all corners of the globe, men and women, statesmen, bankers, industrialists, foregather in the capital. The Château with additions which were completed about 2 years ago, now can give accommodation to about 1,000 guests.

The hotel includes many unusual features. There is a swimming pool, 60 feet long and 25 feet wide, at one side of which is a solarium, lighted with sun ray lamps. The pool is built of concrete, lined with ceramic tile while sub-water lighting brings out the clearness of the filtered water.

On the main floor are located many splendid rooms. The main dining room, oval in shape, will seat 300 persons with normal arrangement of tables. The new drawing room is done in Georgian design and its proportions make a striking prelude to the great ball room which adjoins it. There are some notable pictures in the drawing room and the furniture is of the best types of the 18th century cabinet makers.

In the ballroom there is space for 800 people to dance. The period of the room is French Renaissance, in a modified style of the time of Louis XVI. Both walls and ceilings are of modelled plaster with carved wood ornamentation. The ceiling developments takes the form of a semi-elliptical vault. The floor is of quartered oak.

Another unusual feature of the Château is its new tea room, which is unique in Canada. The columns supporting the ceiling are totem poles with grotesque and vivid coloring, while overhead the ceiling has been treated with a blue effect giving a soft light throughout the room.

Cafeterias, grill-rooms, special suites, a terrace stretching along the Rideau Canal and looking out toward the towers of Parliament Hill are other factors which go to make up the popularity of the Château Laurier.

Installation of a new therapeutic department in the hotel has attracted wide attention. This extensive department is fully equipped for physio therapy and electric therapy treatment. It includes a reception room and dressing rooms, violet ray equipment, steam rooms, electric baths, showers and massage rooms. Expert attendance is available and the extensive patronage given to this division of the hotel's activities indicates that it fulfills a very real need.

PUBLICLY OWNED POWER CONCERN PROVIDES LIGHT

Ottawa Hydro-Electric Commission Retails Energy

Ottawa Hydro-Electric Commission, serving Ottawa with electrical energy in competition with Ottawa Light, Heat & Power Co., has grown with the city. In 1929 the company served a total of 13,403 customers and distributed 48,628,149 k.w.

Operations in that year were profitable, the report of the commission showing an operating revenue of $609,521. After deducting all charges for maintenance and operation, power, interest and sinking fund on debentures, there was a gross surplus for the year of $124,450. Of this, $55,906 was carried to capital account for depreciation, renewals and extensions, leaving a net surplus of $68,544.

Bought More Power

Business in 1929 required an additional 2,000 h.p. which made the total amount of energy purchased from the Ontario Hydro-Electric Power Commission 24,189 h.p. During the year a new substation was built having a capacity of 12,000 h.p. and provision for additional equipment is made which will allow a capacity of 20,000 h.p. available if and when such a volume is required.

The commission purchases all its power requirements from the Ontario Hydro-Electric Power Commission and in 1929 its needs cost $248,663 as compared with $211,309 in the previous year.

Retailer of Power Only

The Ottawa Hydro-Electric Commission is a retailer of power only; that is, it does not have to bear the burden of generating plant costs.

The commission naturally serves most of the civic needs such as city hall, fire and police stations and the many municipal buildings throughout the city, besides the public school buildings and the provincial school buildings.

Supplies Street Lighting

It also serves the requirements for street lighting and the power required to operate the city waterworks. It is interesting to note that the number of whiteway lights totals 2,870, while the Commission also supplies power for 505 Ottawa Improvement Commission lights. In addition to this, at the end of 1929 there were 59 arc lights in operation together with about 1,800 ordinary street lights.

Record of Growth

Following is a tabulation showing the growth of the body's customers in the past 20 years:

	Customers	H.P.
1911	6,377	2,900
1912	5,920	3,300
1913	6,736	3,700
1914	7,350	3,792
1915	8,538	4,209
1916	9,207	5,484
1917	10,007	6,473
1918	10,436	6,780
1919	10,393	7,307
1920	10,939	8,291
1921	11,532	10,494
1922	12,188	12,269
1923	12,719	13,137
1924	12,705	14,708
1925	12,813	15,617
1926	12,897	17,728
1927	13,054	19,035
1928	13,223	20,992
1929	13,403	23,264

Current Consumption Shown

The following table shows the total current consumed since 1914:

	Kilowatts	Revenue	Expenditure
1914	4,154,141	$202,910	$193,113
1915	12,898,400	208,243	202,888
1916	8,035,901	219,480	216,187
1917	5,387,460	254,303	240,890
1918	8,710,714	263,410	258,010
1919	9,512,341	275,953	268,209
1920	10,295,133	305,810	292,901
1921	12,945,970	328,108	313,054
1922	17,130,429	373,615	324,635
1923	23,945,710	420,614	375,522
1924	26,699,148	446,104	403,715
1925	29,034,350	457,680	421,525
1926	33,563,772	496,143	459,477
1927	39,196,516	527,483	477,367
1928	43,825,513	569,983	507,525
1929	48,628,149	609,521	540,977

BELL TELEPHONE IS INDISPENSABLE IN STATE AFFAIRS

Communication is Potent Factor in Government Needs

The Bell Telephone Co. of Canada has a substantial stake in Ottawa. In 1929 there were 37,365 subscribers in the Capital, an increase of nearly 4,000 over the total of the previous year.

Following its policy of providing for the future, the company spent $3,500,000 on extension in Ottawa in 1929. In 1930 further substantial sums were expended and various extensions to manual equipment were completed in the city.

Ottawa Traffic Heavy

The Ottawa division of the Bell Telephone is important. Over the company's wires travel weighty decisions and potent long-distance calls and traffic over its lines during sessions of Parliament is exceptionally heavy.

Some unusual toll calls have been made from Ottawa recently. The Government was in touch with Buenos Aires in March. From England the Bell Telephone Co. has carried calls to Parliament Hill and various other connections with far-distant points have been successfully effected.

Affected by Business

The business depression in Quebec and Ontario made itself felt in the general operations of the Bell Telephone Co. in 1930. In recent years, the demand for telephone service has necessitated expenditure of many millions of dollars toward providing additional equipment to handle the business, especially toll traffic.

This expenditure was naturally made in anticipation of larger revenue. While profits for 1930 were larger than in the preceding year, the gain was not commensurate with the increased capital outlay.

Situation Will Be Righted

This is a situation which, of course, will correct itself in a short time. It is essential in the conduct of a telephone business that facilities should always be ahead of immediate requirements. This, in turn, involves an outlay on new buildings, switchboard equipment, toll lines and so forth, upon which the company does not immediately derive an adequate return.

In the past few years, the company has been concentrating its capital expenditure toward increasing the usefulness and efficiency of its long-distance lines. The telephone has come to play a more and more important part in daily business life, so that in order to handle the increasing volume of traffic, heavy expenditures have had to be undertaken.

Has Spent Large Sums

During the last five years the Bell Telephone Co. has spent on additions to plant and replacements, no less than $116,800,000, an average of $23,300,000 a year.

The company plans to spend $20,000,000 on extending and improving its facilities throughout Ontario and Quebec in 1931. Of this amount there will be spent in Ottawa a sum sufficient to extend and improve the system there and maintain the service at the rate of efficiency which has been maintained in the past.

OLIVER AND SONS SPIRIT UNDAUNTED BY PAST MISHAPS

Survives Four Fires—Now Has Thriving Business

Ottawa can boast of one of the oldest furniture manufacturing organizations in Canada. The company in question is J. Oliver & Sons, which today operates a thriving furniture factory in the capital city.

The inception of the business dates back to 1862 when William Holgate and John Oliver started making furniture in a small way in a rented section of a factory on Victoria Island, just outside Ottawa. Two years later, the business was burnt out and nine years later the same thing occurred again, while in the following year the company's warehouse went up in flames.

Carried No Insurance

To make matters worse, on all these occasions no insurance was carried. Despite these setbacks, the firm survived and in 1873, the original partner, William Holgate, retired, leaving John Oliver and his son to carry on.

The aggressive nature of the Olivers refused to allow them to be daunted by the occurrence of another fire in 1879. Rebuilding operations were started immediately and a larger plant soon was erected on the old site.

New Plant in 1900

For twenty years the company forged ahead steadily, and about the beginning of the current century it was found necessary to construct a larger plant. The present location was secured and a new factory erected. Here, again, fate stepped in and in the great fire of 1900, which wiped out most of Ottawa, the old plant with all equipment, the warehouse and a large stock of lumber was lost.

New machinery, however, was secured and it was not long before the new factory was in operation. Since that time several large additions have been made and the plant has been co-ordinated into one large unit.

Survives Vicissitudes

Thus through various vicissitudes, the Oliver Co. has survived destruction and today enjoys a flourishing business. Production is chiefly centred on the manufacture of bed-room, dining-room and breakfast-room furniture in Canadian birch. In specializing in this wood, the company turns out a superior type of furniture through close attention to design and finish.

Most of these designs adhere to a type usually associated with the higher grades of furniture; popularity is indicated by a growing volume of business. Plant facilities are adequate. Modern equipment has been installed and as a rule about 100 suites of furniture are cut at a time.

Also Makes School Desks

J. Oliver & Sons also makes school desks, though this line is subordinated to the production of furniture. It has been planned to drop production of school desks entirely and to devote the whole output to furniture, but such a change is dependent upon a general improvement in business conditions.

The story of the company's ability to overcome the various setbacks caused by fire in its earlier days is almost an epic; needless to say J. Oliver & Sons plant is now equipped with an adequate sprinkler system.

Collected within the walls of the Dominion Archives at Ottawa are books, maps, pictures and relics pertaining to the development of the country from the earliest days to the present time.

SEVENTEEN YEARS OF PROGRESSIVE BAKING

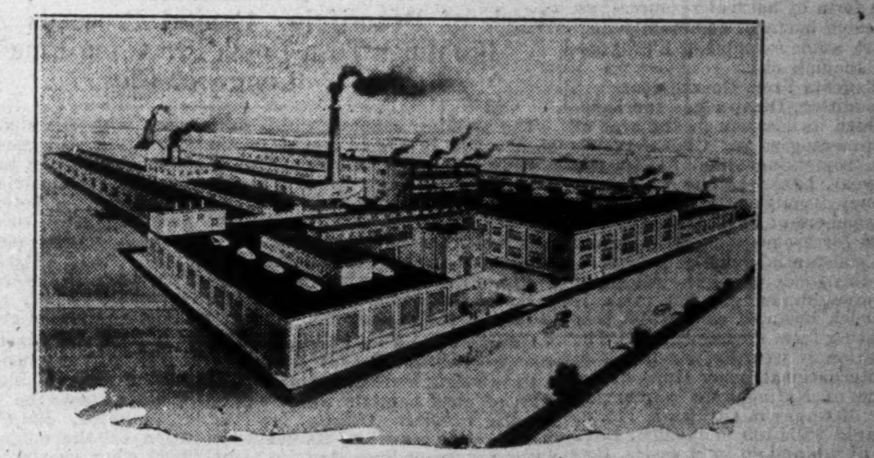
ONE OF THE LEADING SOURCES OF FOOD SUPPLY, our Bakery occupies a most important position among the Industries of Ottawa.

As servants of the public, and conscious of our responsibility, we have built the most modern baking plant in the Dominion of Canada.

Cleanliness, courtesy and efficiency characterize our service to the Citizens of Ottawa.

Standard Bread Co. Limited
R. Lamothe, Vice-Pres. & Manager
OWNED AND OPERATED BY INTER CITY BAKING CO. LIMITED
G. C. MORRISON
Vice-Pres. & Gen. Mgr.

STOVES RANGES HEATERS FURNACES



Canada's Most Modern Stove Plant

Beach Foundry
contributes largely to OTTAWA
Commercial Prestige . . .

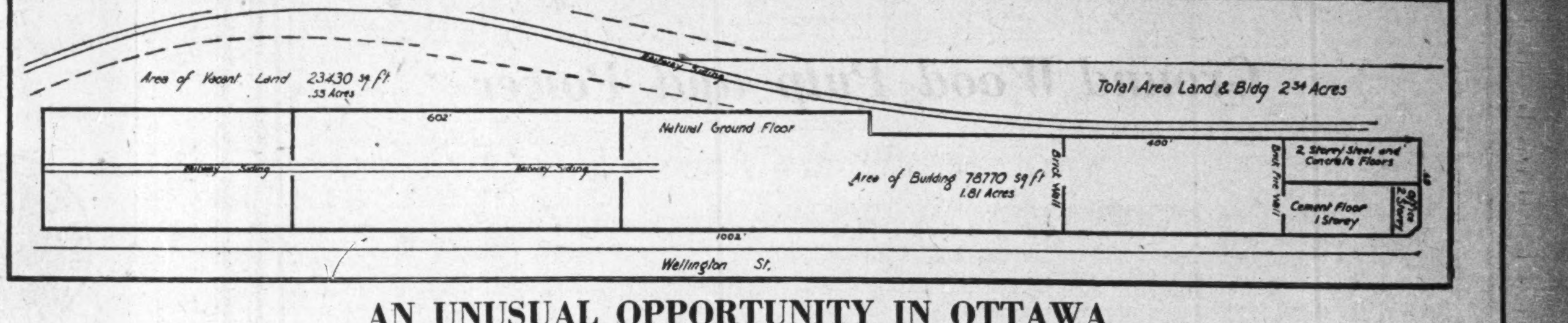
FOR the last seventeen years the Beach Foundry has contributed largely to the commercial prestige of the capital.

Beach Gas Ranges, Beach Electric Ranges, Beach Coal Stoves, Heaters and Furnaces are known from one corner of the Dominion to the other, and carry the name "Ottawa" into every city, town and village in Canada. They also export products of their manufacture to many foreign countries throughout the world.

The Beach Foundry plant employs over 300 Ottawa men and women, thereby substantially increasing the purchasing power of the capital city.

The names "Beach" and "Ottawa" are synonymous.

BEACH
FOUNDRY, LIMITED
Established 1894 OTTAWA *Established 1894*
Branches: TORONTO, WINNIPEG, CALGARY, EDMONTON, VANCOUVER



AN UNUSUAL OPPORTUNITY IN OTTAWA

The estate desires to sell this property. It is at present partially occupied but can be made available at short notice.

The building is of stone foundation and solid brick walls throughout, with steel framework roof. Both the C.N.R. and C.P.R. railways have switching facilities on the track which is laid directly into the interior of the building. Four heavy electric cranes operate the full length of the interior. There are also several traveling hand cranes arranged conveniently. There is more than 35 feet headroom.

Any reasonable offer will be considered.

Full particulars will be supplied on application.

CAMPBELL STEEL AND IRON WORKS
855 Carling Ave., Ottawa, Canada
H. G. Campbell, *Manager*
C. Campbell, *Sec. Treas.*

OTTAWA HOLDS ALL FACILITIES FOR BUSINESS

Needs of Commerce Are Well Served in Capital

CENTRE OF ACTIVITY

Many Banks, Insurance, Trust and Investment Firms Located in Ottawa

Business is well served in Ottawa. The characteristics of the city, as the commercial centre of a thriving agricultural and industrial area, in addition to the business activity resulting from the all government business, demand that all facilities for commerce should be more than adequate.

Banks, brokerage and investment houses, and insurance companies are all well represented. There are no less than 40 branches of Canadian chartered banks in the city, while leading insurance companies have located some 100 agencies in Ottawa. These figures alone are illustrative of business activity in the capital.

Glamor of Parliament

There has been a tendency to overlook business and industry in Ottawa. This may be a natural state of affairs, for public interest from an outside point of view centres largely on Parliament Hill.

The pomp and panoply of Government are rather dazzling and it is often difficult to obtain a clear conception of the business community without a true knowledge of the commercial activity in the town.

Progressive Canadian City

It is easier to look at the sun through a smoked glass. Put a smoked glass to the eye and glance at Ottawa. The dazzle of parliamentary procedure, politics and diplomacy is shaded down, and what does one see?

A thriving industrial centre, a city blessed with innumerable advantages in the form of natural resources, an aggressive business community and, in short, a fine example of a progressive Canadian city.

Benefits From Government

In addition, Ottawa has the benefits which its location as the seat of Government give it. Civil servants spend something like $17,000,000 each year, banks handle vast sums of money from the Dominion Treasury, members of Parliament come to Ottawa for five months each year and spend substantial sums of money.

All this tends to set the wheels of commerce humming. But there is also much business aside from that emanating from Parliament Hill. The population is wealthy; according to the International Labor Office of the League of Nations, the purchasing power of wages in Ottawa is 144, as compared with 100 in London, Eng., 63 in Berlin and 40 in Brussels, Belgium. Income tax returns from Ottawa in 1929 amounted to $2,400,000, an increase over the previous year, while bank debits in the same year totalled $2,001,694,411.

Prosperous business has found reflection in living conditions. Ottawa has an unusually high percentage of fine homes and the number of homes owned in 1930 was 8,019 out of a total number of 27,077 dwellings.

In Ottawa there were 13,768 automobiles registered last year. It ranks high as an electrical city; during 1929, taking in Ottawa, Hull and the metropolitan area, the city has one phone to every four persons. Practically every house is supplied with electric light and power.

Sell Many Power Appliances

The number of electrical appliances used is abnormally high. During 1929 one local organization sold over 4,000 electrical appliances. Another sold 1,200 gas appliances in the same year.

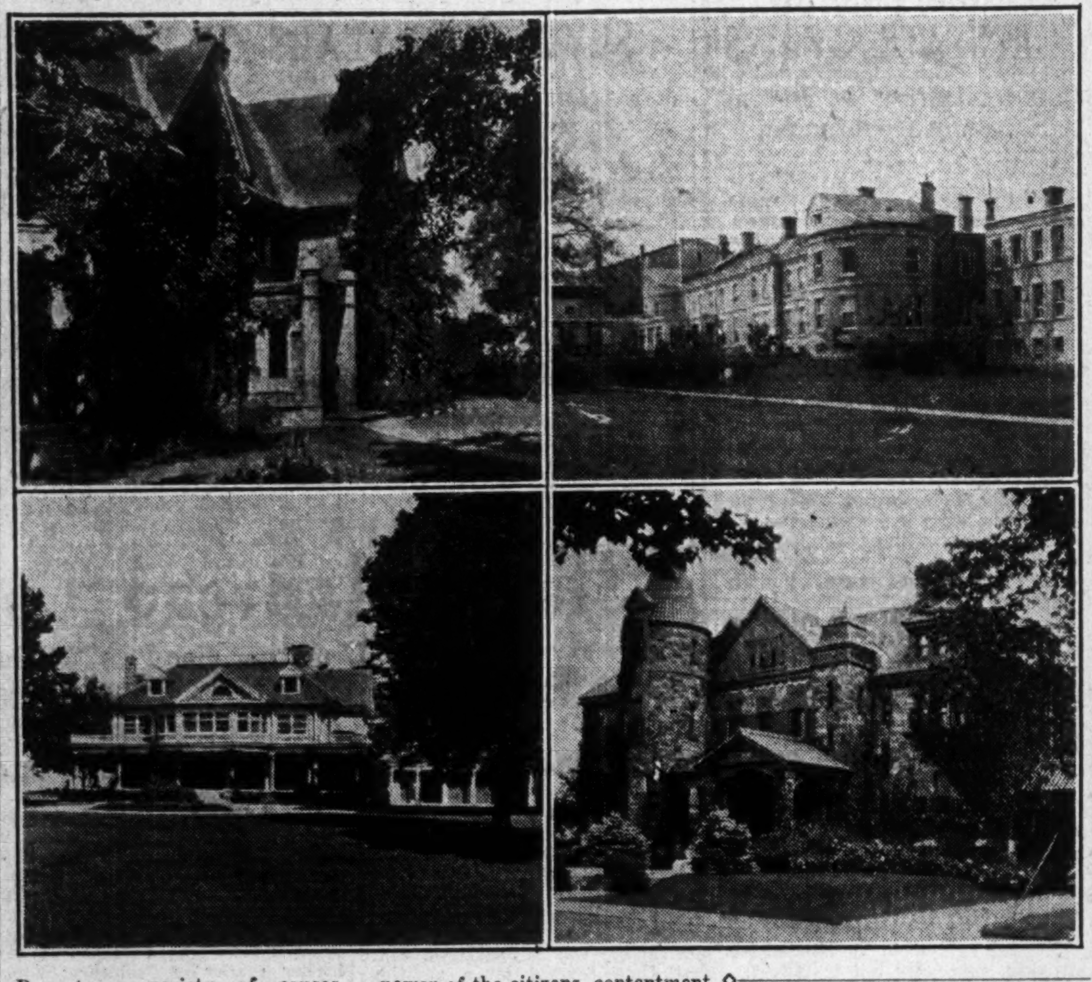
These points all illustrate the fact that Ottawa enjoys good business. And business is not liable to fluctuate to the usual extent, since the regular employment of some 11,000 civil servants tends to eliminate periodic variations in spending power.

Ottawa is well equipped to handle the needs of commerce. Wires in brokerage houses give up to the minute quotations on leading stock and wheat exchanges. In recent years imposing offices for bank branches have been erected on the main artery of traffic, Sparks Street, while Ottawa claims the Canadian head office of one of the largest insurance companies in the world.

Ottawa is also the headquarters of a prosperous trust company, large departmental stores cater to the needs of the population. Three newspapers disseminate news and the city can claim a street railway which is operating at a profit—a difficult feat in these days.

All these are evidences of Ottawa's progress as a commercial and industrial centre; business will continue to grow with the Capital City.

Many Fine Residences Bespeak of Ottawa's Prosperity



Due to a variety of causes, Ottawa's economic welfare is on a more even basis than that of any other city of a like size in the Dominion. This has made for minor fluctuations in purchasing power of the citizens, contentment and the development of a fine community spirit. Obviously this state of affairs has not been without its beneficial influence on manufacturers and merchants located in Ottawa.

Many Striking Changes Made in City's Layout

Work of Beautifying Capital Proceeds Apace—Old Buildings Torn Down Providing Fine Park in Centre of City

The striking changes which have been made in recent years in the physical aspect of Ottawa are an indication of the pride which the civic and federal government take in the appearance of the city. Within the last few years, several blocks of old buildings have been torn down in the centre of the city, giving way to open parks and adding substantially to the beauty of the capital.

Ottawa occupies a unique position among capital cities of the world, both in origin and development. The sites of most capitals were selected because of size. Ottawa, however, was chosen because of its beauty of natural surroundings and its strategic position.

Two Commissions Active

The future of the city lies in the hands of both federal and municipal governments. Their agents are the Federal District Commission, formerly known as the Ottawa Improvement Commission, and the Town Planning Commission. While not connected, these two commissions work with one aim, that of making the city a still greater capital.

It is important to remember, also, that as an industrial centre, Ottawa possesses wide potentialities. It has an abundance of cheap power, nearby sources of raw materials, a plenitude of safe, sound labor, excellent transportation by water and rail with favorable freight rates on national trans-continental routes.

Laurier Started Scheme

Sir Wilfred Laurier was the father of the Ottawa Improvement Commission, now the Federal District Commission. His first public declaration on the subject was made in 1896 when he stated that he wished to make Ottawa "The Washington of the North."

To give effect to this intention he later had an act passed incorporating the Ottawa Improvement Commission and commissioners were appointed to carry the plan into practical effect.

Plan to Finance Work

To enable the commission to carry on the work entrusted to it, the statute passed in the first instance, provided for the payment from the consolidated revenue fund of Canada, of $60,000 a year for a period of ten years from 1899. By a subsequent act, the annual grant was increased to $100,000 in 1910 and in 1919 it was again increased to $150,000.

This annual grant from the federal treasury was increased to $250,000 per annum for the next 16 years. The commission was also given borrowing powers.

Spent Large Sums

Since its inception, the Ottawa Improvement Commission has spent over $4,000,000. Of this amount some $1,500,000 has been spent in constructional work, while of the remainder the greater part has been spent in maintenance work.

In 1916, there was tabled in the House of Commons by Sir Thomas White, the report of the Ottawa-Hull Town Planning Commission, which provided for creation of a federal district, embracing the two cities and the surrounding territories.

Seek to Beautify City

In brief, the transformation it was planned to accomplish would be effected by crowning the bluff of the Ottawa River from Parliament Hill westward, with imposing Government buildings; creation of a great square on the south of the site of Connaught Place, with municipal buildings on the west side; wider streets, where traffic is heaviest; street railway subways in parks and uptown portions of Bank and Elgin Streets, an extensive system of driveways, parks and playgrounds, segregation of industrial areas, and construction of new bridges.

Even now the plans of the commission have begun to bear fruit and already the central area in the city has been opened up considerably by elimination of old buildings.

Many Improvements Made

The improvements which have been effected to date, are adjacent to the great bridge across the Rideau Canal, where Rideau Street, Wellington and Sparks Street, the three chief arteries of the city's life, join.

In addition to demolition of buildings and improving the aspect of the area, much headway has been made in construction of the great driveway which encircles Ottawa.

Driveway is Unique

This Driveway is unique. It leads from the very heart of the city, following the old Rideau Canal and winds its way out to the banks of the Ottawa River, where a new bridge carries traffic across the river into the Province of Quebec.

Ottawa is living up to the standards expected of it when Queen Victoria chose it as the site for the Capital of Canada on account of its scenic beauty and strategic location.

Headquarters of the Dominion Experimental Farm system is located at Ottawa, occupying an area of 825 acres. Preliminary work of research and experiment is carried on here.

Ottawa is the home of the National Art Gallery, which contains the most important collection of works of art in Canada.

Ottawa has 20 public schools and 41 separate schools, with an average attendance of 10,000 school children for each, making a total of 20,000.

Ottawa has three steam railways—Canadian National—Canadian Pacific and New York Central.

CAN. BANK NOTE GROWTH STEADY OVER 35 YEARS

Three Additions to Plant as Demands For Products Increases

EMPLOYEES TOTAL 500

Labor Turnover Small as Company Strives to Enhance Great Skill Required For Work

While the Canadian Bank Note Co. has created several records in its day, actual plant construction undertaken nearly 35 years ago was one of the most remarkable accomplishments achieved in the history of the company.

In 1897 plans were finally completed for the erection of a plant in Ottawa. On March 18 of that year the first ground was broken in construction of the new plant, and on June 17—90 days later—the original unit of the present plant was completed.

This in itself created something of a record, but the matter did not rest there. Installation of machinery went ahead at a rapid rate, and on July 2, not four months after commencement of construction, the company was delivering completed work to its customers.

Three Additions Since

Since then, growth of the business has necessitated three successive additions to the original unit erected in 1897. Today the company manufactures engraved notes and revenue stamps for the Dominion Government, as well as bank notes for the various Canadian chartered banks, and bonds, stock certificates and other securities for most of the provincial governments and large corporations in Canada.

The essential factor in steel engraving and printing is quality of craftmanship, and the growth of the Canadian Bank Note Co. in the past three decades speaks for the efficiency of its skilled artisans.

The company has built up an organization founded on the skill of its workmen, and has surrounded them with equipment designed and manfactured by its own engineers—equipment which, it is claimed, no other engraving concern has succeeded in duplicating.

Labor Turnover Small

It has realized the value of skilled workmen, and to this end has taken agressive steps to preserve the entity of its staff year in and year out. It is not unusual for two generations of a family to be working in the plant at the same time, while there have actually been cases of three generations of one family employed simultaneously by the company.

As time goes on the skill of the steel-plate engraver and the steel-plate printer grows, and it is obviously in the interests of the company to eliminate as far as possible labor turnover. Canadian Bank Note Co. was one of the first companies in Canada to provide group insurance for its employees. Close to $1,000,000 is carried on its 500 employees, and as the company pays all the premiums, there is no expense to the insured.

Then there is a sick benefit association; a Christmas savings club; a pension scheme, which becomes operative after 25 years of service; and a shareholders plan by which the employees are enabled to purchase stock of the company on easy terms, and thus share in its progress.

Also, the health of those working in the plant is well cared for, a regular hospital service being maintained under the charge of a physician, with two trained nurses on duty at all times. All minor cases of sickness and accident are treated in the hospital, while a nurse visits the homes of those who are reported absent through illness. The company is proud of its medical record, and its theory that "prevention is better than cure" has been fully justified. No doubt many major illnesses have been prevented by early attention to scratches, cuts, colds, etc.

Made New C. P. R. Certificates

One of the most recent orders executed by the company was that for the new stock certificates of the Canadian Pacific Railway. This order is thought to have been one of the largest, if not the largest, individual order for stock certificates ever executed in Canada.

The splendid facilities and equipment of the plant, together with the employees welfare plans, have contributed, largely, it is believed, to the high standard of craftsmanship and service which has been attained by the company. These have enabled it to build a business in Ottawa which plays an important part in the industrial life of the city. In normal times the pay roll totals over $750,000 yearly, a distribution of money which means much to Ottawa merchants and business men each year.

CAPITAL TRUST HAS HEAD OFFICE IN CAPITAL CITY

Company Makes Rapid Strides in Past Two Decades

Capital Trust Corp. is the only trust company having its head office in Ottawa. Its business has grown with the capital city, while the opening of new branches, since the company's inception in 1914, reflects its expanding field of business.

The company has maintained a branch office in Toronto for over 10 years and business in this branch has increased to the extent that larger and more suitable quarters have had to be occupied.

Branch in Montreal

Equally important is the Montreal branch, which was opened about three years ago. Business has increased considerably at this point, justifying the decision of the management in extending activities to this section.

When the Capital Trust Corp. was formed in 1914, its metal was tested severely. The succeeding years during the war were not conducive to a new comer in the trust business, but despite this the company prospered.

Growth is illustrated by the following figures.

	Capital and Surplus	Estates under Administration	Total Assets
1918 ...	$434,492	$1,060,680	$ 1,959,793
1922 ...	639,819	3,688,338	5,610,486
1926 ...	719,294	5,908,285	8,336,648
1930 ...	933,690	9,138,215	15,218,670

Headway Made in 1930

The annual report as presented to shareholders covering operations in 1930 emphasized the substantial increases that were made in every branch of the company's business.

Savings deposits showed considerable gains, the number of estates and agencies under administration were materially increased and new bond issues for which the company acts as trustee, as also transfer agents for new stock issues, established new high records in the annals of the organization.

Deposits Showed Increase

During the year deposits increased to $5,146,000 as compared with a 1929 total of $4,711,000. Quick liquid assets, consisting of government bonds, demand loans and cash on hand, amounted to $1,344,663, being equal to 66 per cent of the total savings payable on demand.

The number and value of estates and agencies under administration increased to $9,138,000 as compared with $8,470,000 during 1929. Total assets, including agencies and estates under administration now reach the substantial amount of $15,218,000.

Net Profits Higher

Net profits for 1930 were $57,585, being equal to 8 per cent of the average paid up capital during the year, as compared with $54,838, in the preceding year. A dividend of 5 per cent was declared payable March 1, 1931.

While the Capital Trust Corp. fulfills the usual functions of a trust company, it also carries out in an increasing degree the business of property management, company management and real estate, in which division considerable growth has been recorded in the past few years.

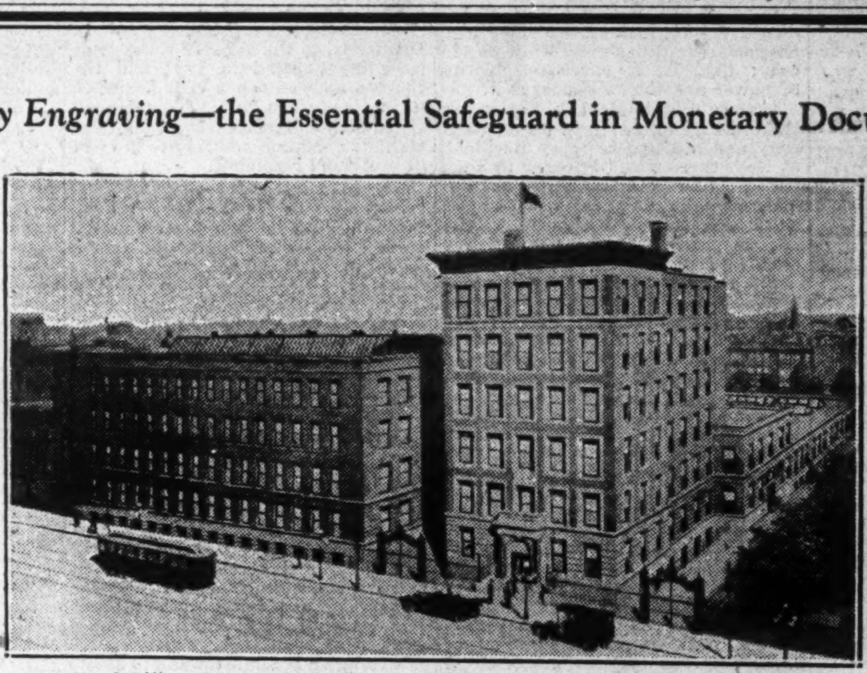
INDUSTRIAL SITE

WE HAVE for sale, within a mile of the centre of Ottawa, a manufacturing site of about three acres on a junction of the C. P. R. and C. N. Railways, including 500 feet of siding on each railroad.

Write for plans and particulars. Kindred industries preferred.

J. Oliver & Sons Limited
Wholesale Furniture Manufacturers
Established in Ottawa in 1862

Quality Engraving—the Essential Safeguard in Monetary Documents



Head Office: Ottawa. The largest steel plate printing plant in the British Empire.

In Ottawa—the Empire's Largest
Steel Plate Printing Plant

EXPERT
and
EXPERIENCED
Engraving and Printing
of
Bonds and Debentures
Stock Certificates
Bank Notes
Cheques
Drafts
Postage and Revenue
Stamps
and other
Monetary Documents

With an investment of $2,500,000 in plant and equipment and its personnel of over 500 entirely Canadian, the Canadian Bank Note Company predominates in meeting the nation's need for monetary documents of the highest grade.

For over 100 years this company has grown in service with Canada and today, in Ottawa, has the largest steel plate printing plant in the British Empire.

This leadership has exacted the high responsibility of unvarying standards, the finest in engraving craftsmanship and progressive plans to meet needs in advance of requirements.

Today, the Canadian Bank Note Company is fully equipped to meet Canadian Federal, Provincial and Municipal Governments' emergency needs, and corporation requirements for the utmost in quality monetary documents.

You are invited to place your engraving requirements in our hands. Through our experience and specialized knowledge, we are able to co-operate fully in the planning and execution of your needs.

Over 100 Years of Dependable Service

CANADIAN BANK NOTE COMPANY
LIMITED
Head Office and Works: OTTAWA
TORONTO—Branch Sales Offices—MONTREAL

Compliments of
The Bronson Company
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Established 1852
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